The Environment

April 1995 $3.95

California JOURNAL

Independent analysis of politics and government

1970 25 1995 Public Service Journalism

Inside: **Gambling**
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Kathleen Connell

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APRIL 1995
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California JOURNAL

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As an on-going feature of our 25th Anniversary year, the *Journal* will present issues of importance to California's future. This month, we focus on the environment and the stress of growth on the state's resources and natural beauty.

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Cover: ***Great Nature: Storm on Lyell Mountain from Johnson Peak*** **(1930),** a woodblock print by Chiura Obata (1885-1975) was a recent gift to the Crocker Art Museum from Mr. and Mrs. Eugene Kodani. Obata was born in Japan and studied in Tokyo, where he became an advocate for a modern form of Japanese painting. Three years later, he moved to San Francisco where, in 1921, he helped found the East West Art Society. An instructor in art at UC-Berkeley, Obata was imprisoned at Tanforan detention center in 1942, remaining there until 1943 when he was released and moved to St. Louis. He returned to Berkeley after the war, retiring from UC in 1954. In 1965, he was honored by the emperor of Japan for promoting goodwill between Japan and the U.S.

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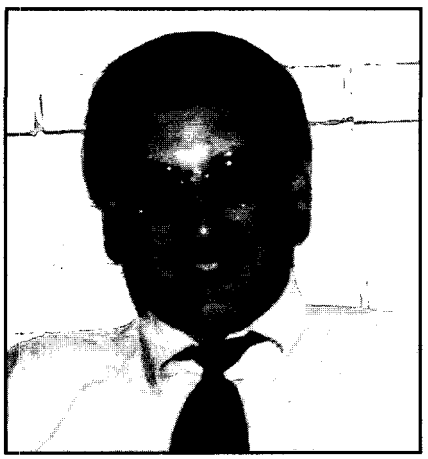
Up Front

UMBRAGE

With this issue, A.G. Block becomes the editor of *California Journal.* A.G. has been managing editor of the *Journal* for 12 years. In addition to his responsibilities with the *Journal,* he led



the launch and development of *cjWeekly* and will continue to be responsbile for additional expansion of our editorial offerings. Prior to joining the *Journal,* A.G. was a reporter for Gannett newspapers in Ketchum, Idaho, where he also served a stint on the City Council. Tea leaf readers will want to take a look at A.G.'s "Two Cents Worth" column on page 6 for an introduction to the views he brings to his new post. Richard Zeiger, the longest-serving editor in the *Journal's* history, moves up to executive Editor with responsibility for continuing the expansion of our print and on-line products here and nationally.

Thomas R. Hoeber
Publisher

Memo. A bit of ancient Cub-ian wisdom for Assemblywoman **Jackie Speier** (D-South San Francisco): If you really don't want to do the thing you're trying to do, then don't do it. We refer to the Speier-inspired ACA 23, which would lower the voting age in California from 18 to — gulp — 14. When asked whether she *really* wanted to allow the newly teened to vote, Speier hedged, saying she just wanted to open up the debate over children's health, education and safety. Her intention may be noble, but her approach seems like a throw-away line from a **Dennis Miller** monologue. Or have we reached the point in our political dialogue where the only way to command attention for a serious issue is to wrap it in a ludicrous cloth?

Handout of the month. A yellow sack called a "Wilson Barf Bag." According to a warning label, the bag was to be used during Governor Pete Wilson's dinner address to the recent state GOP convention in Sacramento. "When [Wilson] speaks during dinner, you will probably gag and become overwhelmed with nausea," the label reads. Another disruptive little snip at Wilson from Democratic consultant Bob Mulholland? Waaay wrong. This one comes from conservative Republicans honked at the guv for a variety of unconservative activities.

That ole bugaboo. A renewed Willie Brown speakership isn't all bad for Republicans. After all, it gives them a chance to continue to raise money the old-fashioned way — off Willie Brown. A fund-raising letter sent out at the end of January by rookie Assemblyman Steve Kuykendall (R-San Pedro) thumps on Brown for threatening a recall against Kuykendall. Democrats have made noises about going after Kuykendall because the tobacco industry pumped a carload of cash into his campaign just prior to last November's election, and that flow of 11th-hour money is credited with giving Kuykendall a narrow victory over Democrat Betty Karnette.

Fredonia calls. California trial lawyers are wasting no time organizing for battle in 1996. The Consumer Attorneys of California — formerly the California Trial Lawyers Association — has sent out a call for mercenaries to help fend off what promises to be an all-out siege on two fronts. The group wants proposals from political and campaign consultants who will be hired by the CAOC to run the effort to defeat a pair of proposed initiatives: another attempt to pass no-fault auto insurance and a bid to limit attorneys' fees. In addition, the CAOC plans a counterattack — an initiative of its own "to restore certain rights of California consumers."

Reality check. Assembly Speaker Willie Brown Jr. (D-San Francisco) actually said this: "The speaker's office is nonpartisan; it never was partisan and it shouldn't be visited upon as partisan."

Smarter than the average bear. Maybe it's the urban-rural thing. Whatever the reason, Assemblywoman Juanita McDonald (D-Carson) was forced to amend her ACR 9 last month because of a little boo-boo. ACR 9 proclaims 1995 "State Tourism Year." At first, however, it was unclear *which* state, because in paying homage to California's blessed environment, it referred to "Yellowstone National Park." Yellowstone is a terrific park, with its grizzlies and Old Faithful and a gorgeous view of the Tetons. But Yellowstone mostly is in Wyoming, with a sliver of it spilling into Idaho. McDonald amended the measure, substituting "Yosemite" for "Yellowstone." Yogi, Boo-Boo and the rest of Yellowstone's furry locals will have to wait for a resolution from some other Legislature.

"Every society honors its live conformists and its dead troublemakers."
— Mignon McLaughlin

Come across a blurb lately that's nosy, newsy or smart-alecky about California government, politics or politicians? Share it with the Journal. *We pay up to $25 for entertaining tidbits published in "Up Front." So, rush your items to Up Front, 2101 K Street, Sacramento, CA 95816. Sorry, submissions cannot be returned.*

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The changing world of natural gas utilities.

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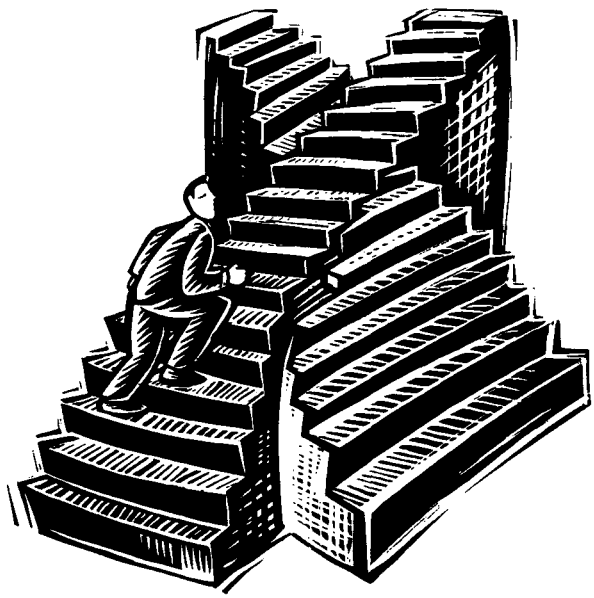

The competition created through deregulation of the natural gas industry has provided consumers with lower prices and increased natural gas supply options. Clearly a step in the right direction.

This competition has also led to a dramatic change in the way natural gas utilities do business, forcing them to develop new business strategies that will keep prices competitive while continuing to offer consumers a high level of service.

But the current California regulatory structure does not fully account for the entrance of new competitors in the energy marketplace. Utilities are not able to set their rates at market prices the way their competitors can. Instead, utilities must offer regulated rates, set and approved by the California Public Utilities Commission (CPUC).

The result? Not all California consumers are fully reaping the benefits of a competitive marketplace. That's why The Gas Company is supporting new legislation to allow the CPUC to determine that adequate competition exists in a market, and then permit utilities to set rates and levels of service that customers want. This would not undo traditional regulatory oversight. Rather, it would allow utilities to more fully, and fairly, participate in a competitive marketplace. And step up to the challenge of providing the full benefits deregulation makes possible. Our next topic: "Utilities and New Energy Services."

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Two Cents Worth

COMMENTARY

A new life

My son was born the other day. Will Chapman Block struggled for life's breath in the shank of an early March afternoon, with *El Niño* winds and rain howling through the Sacramento Valley and a rush of emotion churning through his parents. Will is my first child, and like a billion fathers before me, I spent the hours of his birthday staring into a sublime and exquisite face and wondering how, at age 48, I came to be so fortunate.

Yet the birth of a child these days brings such mixed emotions. When you look at the child himself and at the mother who bore him, there is the sheer joy of it, the unbridled love in it, the relief of an ordeal now ended, the awe of an act that science could never adequately explain, the promise of a life on the cusp. But look away from mother and child, look beyond the security of his home, to the world he will inhabit, to the legacies he will inherit, and the brilliance of the moment ebbs in a pool of anxiety.

In truth, Will Chapman Block has been born into parallel universes — one exciting and with unlimited boundaries; the other forbiding in its textures. The exciting universe centers around the promise inherent in an ever-dynamic environment of technology. He has been born into an information super-age, where intelligence and the ability to acquire, assimilate and use knowledge are the currency of the realm — and are quickly available at the fingertip of a well-trained citizen. He has been born into a world that truly is global, perhaps even galactic in scope. Even the dreamers do not yet comprehend the marvels that will surface during his lifetime.

But there is that other universe, that forbiding thicket, that is his social environment, and it is more worrisome than the technological universe is hopeful.

When Will Chapman Block begins his education, there may not be a public education system as we know it. Community schools may be replaced by a hodge-podge of public, private and religious institutions, teaching a Babel of subjects in a variety of languages and with few of the standards that in the past have served to bind and integrate the community and instill a common set of values among its children. He will be educated because his parents will ensure that he attends a good school and has the resources to press his education as far as his ambition and intelligence can take him. But a growing number of his generation may be forced into the remnants of a public school system starved for resources and thus unable to adequately prepare his contemporaries. They, in turn, risk being left behind in a society shaped by the advance of technology. And that bodes ill for his ultimate freedoms, because democracy cannot long survive if its people do not have the capacity to perform meaningful work or even to understand the basic principles upon which their society is founded.

When Will Chapman Block ventures from his home and neighborhood, he could travel through a country that daily seems to shed the guise of civilization. He may ramble streets that increasingly are unsafe — despite billions of dollars spent on "public safety." He may co-exist with a population awash in guns and ever-more deadly methods to kill him — all available to anyone who seeks them out. He may inhabit a world that more and more seems to exult in violence — in its sport, in its entertainment, in its means of settling disputes – and subjected to a government that fails to train his peers but lavishes more and more dollars on prisons to house those who fail.

When Will Chapman Block interacts with others, he may find many who have become resentful of the sacrifices necessary to invest in their neighbors' well being, who refuse to accept responsibility for their actions and instead play a blame game, who often are impractical and self-indulgent, who do not seem to understand the strength that derives from a diverse population. And he may be governed by elected officials who sacrifice vision for expediency, who pander to the basest aspects of the national character, who promote fear at the expense of understanding. He may be informed by media that emphasize the quick and sensational and disregard the precise and comprehensive, that revel in vitriol, that eavesdrop on the blather of the most sordid among us, that seek to entertain rather than to inform, that promote violence at the expense of compassion, that dim rather than illuminate.

Will Chapman Block has been born into an unpleasant and uncertain America. It is unpleasant because the people have become fearful, resentful and suspicious. It is uncertain because America seems to have reinvented its value system, and the new arrangement lacks virtue, compassion, humility, sacrifice, vision and a sense of belonging to something grander than a collection of individuals. It seems, too, to lack an ethical foundation based on mutual respect. The dialogue between its citizens daily becomes more shrill and less reasoned and resonates with absolutes that squeeze out the ability to compromise.

He also has been born into an America at a crossroads. One path beckons toward a limitless horizon, bathed in promise and boundless opportunity for the enterprising individual. The other path is strewn with self-doubt and the continued erosion of confidence in the ability of government, not to solve problems, but to govern at all.

For the sake of my child who is without voice, I ask that those in positions of influence and authority work hard to keep us off that second path, to work to restore faith in government and to shun those who would tear apart the fabric of society for the sake of self-promotion. I ask them to feel in their gut what kind of country they would like America to be, then to keep their eye firmly on that vision and to avoid those actions that live only in the here and now and at the expense of the future. It is not my future — or theirs — that they are dealing with; it is the future of Will Chapman Block.

— *A.G. Block*

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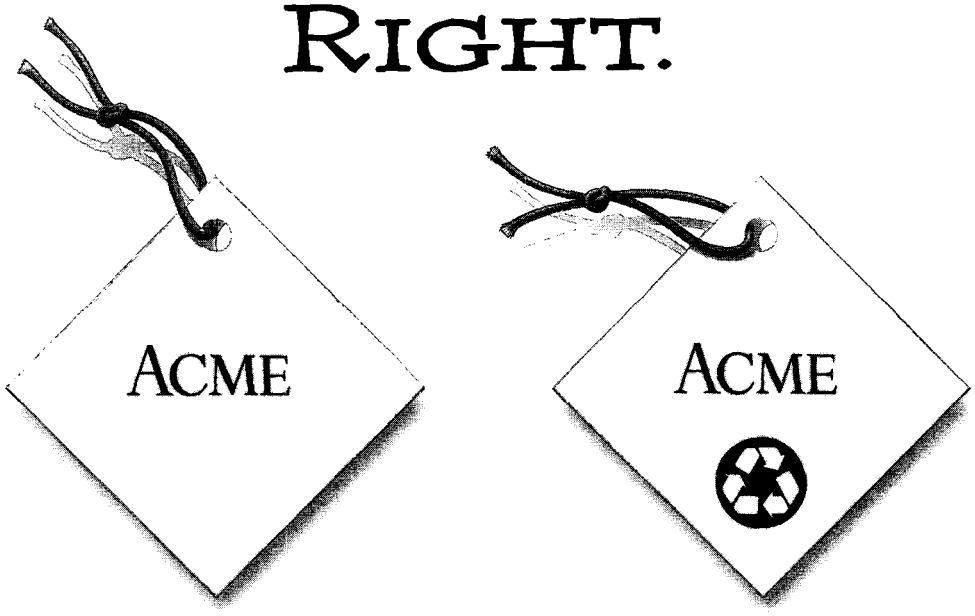

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High Stakes

Special interests surround new push to regulate gambling in California

by Steve Scott

Anyone interested in what it feels like to be in the presence of big money need only step inside a Las Vegas casino of recent vintage. Although the external motifs vary from a movie lion to an Egyptian pyramid to a circus, the essence inside is the same. Opulence and excess shriek from every direction, including from above, as if spectacle and volume alone are enough to separate people from their money. All too often, spectacle and volume are more than enough, particularly for Californians, who trek by the thousands to the gaming palaces parked near the border of the oh-so-accommodating neighbor to the east.

Sacramento is a far cry from Vegas, the unofficial capital of conspicuous consumption. Still, there is a subtler, but no less accurate way to determine when one is in the presence of big money in California's capital: Just count the lobbyists ... and the power ties. These days, the greatest concentration of both can be found wherever the topic turns to the regulation of gambling in California. Controlling the state's ever-expanding gaming industry is shaping up as one of the more contentious issues in an already-contentious session. Few argue against the concept of gaming regulation in California. But everyone making money from games of chance stands ready to pounce on a scheme that keeps them from cashing in.

"This will be the hardest-fought issue of the legislative session," says Assemblyman Phil Isenberg (D-Sacramento), an advocate of regulation. "Rest assured on that."

What makes gambling regulation at the state level such a high-stakes game? The payoff. Even without casino games or slot machines, California is among the largest gambling states in the nation. By some counts, as much as $7 billion was wagered in California's 256 card clubs last year. These clubs offer a variety of poker games in which players play against each other, and the house takes a cut off the top. The revenues from all that "action" topped $700 million, more than double the take from the previous year. Over the next few years, the number of tables in California cardrooms is expected to quadruple, from 1774 to 5429. Gross revenues also are expected to balloon to more than $3 billion. Then there's the close to $3 billion bet on horses last year, and the more than $1.5 billion in sales by the state Lottery, and that's not even counting the billions wagered by Californians across the border in Nevada.

"By some standards, California could be the largest gambling jurisdiction in the world," suggests I. Nelson Rose, a professor at Whittier College of Law who studies gambling laws nationwide.

As far as regulation is concerned, however, all gambling in California is not created equal. While horse racing, Indian gaming, and the Lottery all face oversight by state or federal agencies, oversight for card clubs is limited to three employees in the state attorney general's office who conduct background checks of cardroom owners who want to build or expand their operations. All other regulation and enforcement is left to local government.

Just as the screaming sparkle of the Vegas strip is an invitation to gamblers, lax regulation is an open invitation to crime. According to the FBI, Southern California card clubs have become virtual money laundromats. The Los Angeles Sheriff's Department recently obtained footage from the Bell Gardens Bicycle Club's security cameras, showing a $60,000 money-laundering transaction. The man who, until a year ago, managed the club's Asian games was indicted last year on federal loan-sharking and racketeering charges.

"We have a regulatory vacuum," says Attorney General

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Game

Illustration by Christopher

Dan Lungren. "It should not surprise anybody if crime — sometimes organized, sometimes disorganized — moves in to fill that vacuum."

Local governments say they don't have the money to provide the needed enforcement, but in some cases that's only part of the story. In Bell Gardens, 65 percent of all city revenue comes from taxes collected from the Bicycle Club. In Commerce, the Commerce Club accounts for 40 percent of all revenue. Such clubs wield huge influence with local politicians and are not shy about using that influence to keep the authorities at bay. Few know this conflict better than Charles Gomez, until last month the city manager of Bell Gardens. Gomez was fired from his job at a council meeting to which he was not invited and after he had helped the Los Angeles Sheriff's Department conduct undercover operations at the Bicycle Club.

"The pressure from the ownership of the club gets pretty intense on the local politicians, who [are] the bosses of the administrators and the chiefs of police" said Gomez, in a hearing before the Assembly Governmental Organizations Committee. "The pressure comes in ... from above — 'ease off, chill out, cool it, don't go heavy on these people.'"

The twin threats of crime and corruption would seem ample justification for the state to step in and regulate, as it does in Nevada. Three years of efforts to do just that, however, have been smothered through a dizzying array of internal intrigues. The governor and attorney general — both Republicans — wound up on opposite sides of the issue.

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Legislation creating a Nevada-style gambling commission, approved by a 49-to-10 margin in the Assembly last spring, was kept by procedural fiat from moving to the Senate, courtesy of Assembly Speaker Willie Brown Jr. (D-San Francisco). More end-of-session trickery killed a conference committee agreement on regulation, despite a huge public push on its behalf by Isenberg, Lungren, and state Senator Tom Hayden (D-Santa Monica). Ironically, Governor Pete Wilson tanked the efforts of fellow Republican Lungren by opposing the compromise bill, because it gave two of the five commission appointments to the Legislature.

"The law enforcement support was overwhelming and clear," recalls Isenberg. "Support from a portion of the gambling industry was reasonable and, in some cases, quite strong. The rest of the folks were just kind of sitting out there either kibitzing, criticizing privately, or trying to put the fix in quietly."

Undaunted by the messiness of last year's fight, the same odd coalition is picking up right where it left off in 1994. Hayden, Isenberg, and Assemblyman Curtis Tucker (D-Inglewood) have all introduced legislation creating a five-member gambling commission which would license all gambling activities in the state. The measures create a special enforcement division within Lungren's Department of Justice with broad power to investigate, inspect and audit any gambling establishment. Hayden's measure also includes a battery of stringent campaign and lobbying restrictions, aimed at making it impossible for commissioners to be influenced by those they are regulating. "We believe that any reform requires unimpeachable appointments with no ties to the gambling industry," says Hayden staff aide Darryl Young.

As was the case last year, the usual gang of "kibitzers" are circling around this year's push for regulation, among them just about everyone currently involved in gambling, both inside and outside of California. Some fear regulation may be used to keep expanded gambling out of the state. Others fear it might ultimately make it easier for gambling to expand, since there would be a clear set of guidelines to follow. At any rate, several entities are watching events in Sacramento with a close eye.

• **Existing card clubs.** Small card clubs were the only entity to formally oppose state regulatory efforts last year. One reason is the fear of competition. The regulatory schemes envisioned by Lungren, Isenberg, *et al.*, would let publicly-traded corporations own and operate cardrooms. That, they fear, could be the hook needed to let the gambling giants like Bally's and Caesar's enter the California marketplace. "Can you imagine what they would do in the L.A. market?" worries Rod Blonien, a lobbyist for the Commerce Card Club. "How does the Commerce Club compete with that?"

• **The racing industry.** Every state that has expanded gambling has seen its racing industry suffer. Some large race tracks, most notably Hollywood Park, are looking to on-site cardrooms to bolster sales at the betting window. They want regulation to make it easier for them to put in their own card clubs. Others involved with racing fear any regulation that tacitly legitimizes expanded gambling is another step closer to full-blown casino gambling, which they believe threatens their livelihoods.

• **Out-of-state gambling interests.** Companies with heavy investments in Las Vegas, Reno and Lake Tahoe casinos don't want casino gambling in California because they don't want all that California money gambled at home. They'd like to see regulation used as a tool to keep any expansion into slot machines or table games. On the other hand, some companies seek the burgeoning cardroom industry as an opportunity, and would like regulation to make it easier for them to buy into existing card clubs, or build their own.

• **Indian gambling.** Indian gaming would not be directly affected by state regulation, as tribes are independent nations. Since they are already federally regulated, most tribes support state- regulated card rooms. "If there's fair regulation, the playing field levels," says Josh Pane, a lobbyist for three

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tribes involved in gambling. There are, however, other issues of interest to the tribes. Governor Wilson has been stonewalling efforts to negotiate new gambling compacts with tribes interested in building casinos, and the tribes have been fighting with the state over whether video poker machines should be allowed at Indian casinos. One component of the regulation bill gives Wilson specific authority to negotiate additional compacts with Indian tribes, an authority Wilson has resisted.

While these interests may have different agendas, they all have one thing in common — they love to spread money around the Capitol. Over the past four years, the gaming industry has been among the most active lobbying interests in Sacramento. According to Hayden, some $5 million was spent by the industry on lobbying and campaign contributions between 1990 and 1994. This past year, interests associated with Indian gaming contributed millions to legislative and statewide campaigns, especially to the campaign of Lungren's Democratic rival for attorney general, former Assemblyman Tom Umberg (D-Garden Grove). Wilson and Lungren, meanwhile, received sizeable contributions from Nevada gaming interests, and a former member of Isenberg's staff, Gene Erbin, recently signed on with the law/lobbying firm of Nielsen, Merksamer, Parrinello, Mueller & Naylor, whose client list happens to include Caesar's World and Hilton.

With all this money floating around, it's not surprising that gambling regulation has been kept in this high-volume stasis — the longer a decision is postponed, the more money is wrung from deep-pocketed contributors. There are signs, however, that this year might be the breakthrough year for gambling regulation. The coalition supporting regulation has broadened to include Assembly Republicans, who sat on the sidelines last year, and an almost solid bloc of law-enforcement support. Perhaps most important is the fact that last year's chief obstacle — Willie Brown Jr. — is no longer the force he once was. Unlike last year, when a seven-vote majority allowed Brown to direct traffic with impunity, this year's leadership fight has left him less able to exercise absolute control.

"If I were in the speaker's political position," said Isenberg, "the last thing I'd want to do is muscle the Democratic caucus on an issue like gambling."

Even with all these changes in its favor, any effort to regulate gambling must come to grips with the state's own identity crisis on the subject. Even though it dwarfs most other states in the size of its gambling market, if you were to ask Californians if they consider the state a "gambling state," they'd probably say "no." Casino games and slot machines are, after all, banned by the state constitution. Law professor Nelson Rose says the only way for gambling regulation to succeed is for Californians to decide once and for all what they want and what they don't want.

"Instead of throwing out a lot of bills, what they really need to do is sit down and figure out what is the gambling policy of the state," says Rose. "Gambling is already here. The question is, are we going to have any more gambling?"

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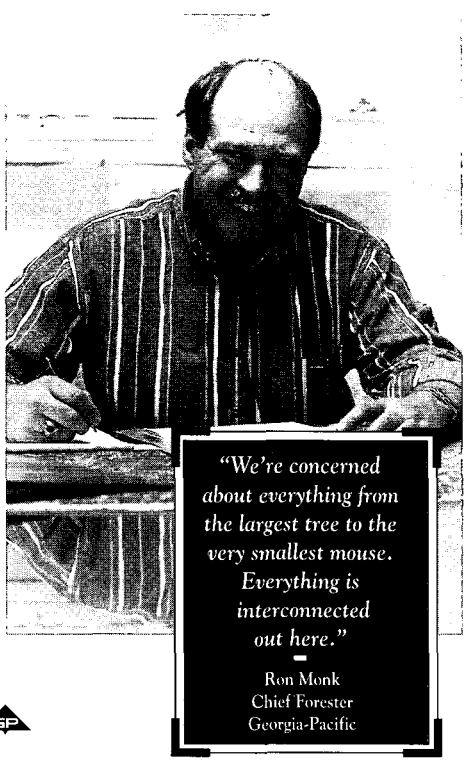
"We're concerned about everything from the largest tree to the very smallest mouse. Everything is interconnected out here."
Ron Monk
Chief Forester
Georgia-Pacific

Georgia-Pacific
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A San Diego mayor and a business-friendly Republican with ambitions for higher office. Sound familiar? No, it isn't Pete Wilson, it's....

Susan Golding

By Dana M. Wilkie

Illustration by Norm Hines

"Jeopardy" question:

Last January, surrounded by dignitaries and a rapt media, this politician's annual address to the electorate was heavy on business-friendly, government-cutting, police-providing rhetoric. The speech resounded with pioneer imagery like "strength of our spirit" and "sweat of our brow."

Uh, who is ... Pete Wilson?

Nice try.

Dana M. Wilkie is a Sacramento correspondent for The San Diego Union-Tribune.

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The speaker is a protege of the Republican governor. A woman who now fills his old shoes as San Diego mayor and, some predict, might someday fill the shoes he wears today. Perhaps that's a premature and ultra-ambitious prediction for Susan Golding, who has never, in her 14-year political career, run for partisan office. But even if observers can't agree on Golding's sights, all concur that this former city councilwoman and county supervisor is positioning herself for higher office in California.

Golding demonstrates the moderate brand of Republicanism that could, as happened with Wilson, give her trouble with party conservatives should she seek higher office.

Those close to Golding quickly douse speculation that the 49-year-old mayor would run for a seat in the state Legislature, or for the lieutenant governor's office that she openly coveted six years ago. Golding, admirers and detractors agree, is far too ambitious to share attention with a multitude, too headstrong to take marching orders from Capitol leaders and too accustomed to authority to twiddle her thumbs as a statewide figurehead.

Golding advisers are happier to discuss the prospect of a Golding challenge to Democrat Barbara Boxer for her U.S. Senate seat in 1998. Or a run for the Republican nomination for governor, despite the early annointing of Attorney General Dan Lungren for that privilege. The dreamers say she's a potential vice presidential candidate in 1996; the pragmatic say a Cabinet post is more reasonable should the GOP recapture the White House.

But ask some state political observers about Golding, and they need a moment to place her: Um...the congresswoman from San Diego? The Orange County supervisor? This says much about one of Golding's largest obstacles to running for statewide office: Outside of San Diego, many people don't know her.

"Aggressive," "hard-charger" and "workaholic" are words most often used to describe Golding. "If she's leading, you'd better follow or get out of the way," says first-term San Diego Congressman Brian Bilbray, a fellow Republican and former San Diego supervisor. "Catherine the Great," he adds affectionately, "would be proud of her."

Golding concedes she is demanding, of herself and her staff. "I like what I do," she says. "I enjoy taking a problem that is complex because of the policy and the people involved, and finding a way to resolve it."

Born in Oklahoma and raised in Indiana, Golding is the daughter of a college president and a mother active in civic affairs. Her early achievements rivaled those of the Brady Bunch's Marcia: Straight A's, cheerleading, college student-court president. A Master's in romance philology from New York's Columbia University. Art studies in Paris. A spell teaching French at Atlanta's Emory University. Married to graduate-school sweetheart Stanley Prowse, barely 30 and pregnant with her second child, Golding came to California in 1974. Her marriage unraveled a few years later, and her political career would begin shortly after — when Golding caught the eye of a Wilson adviser named George Gorton, whom she subsequently dated for several years. The two of them joined Jack Ford, son of the former president, to run a now-defunct newspaper in Del Mar. Through Gorton and Ford, Golding began to enjoy access to San Diego's Republican elite. During the next decade, Golding broadened her resume and contacts. She was a city councilwoman, served briefly in Sacramento as deputy secretary of housing, then began an eight-year career as an elected county supervisor.

In 1989, by then chairwoman of the supervisors' board and ready to run for lieutenant governor, Golding's climb slowed unexpectedly. Second husband Richard T. Silberman, a wealthy financier and Governor Jerry Brown's one-time director of Finance, was arrested on charges of conspiring to launder money for Colombian cocaine traffickers. Talk of a statewide run ended. Eventually, so did the marriage.

Said to be happiest when she calls the shots, Golding turned to the mayor's office, which she won in 1992 after a bitter contest against Peter Navarro, a Harvard economist and spokesman for San Diego's anti-development craze. Navarro could not match the resources of a Republican business establishment long loyal to Golding.

These ties may have served Golding in past campaigns, but some observers fear she lacks the statewide fund-raising base to make a bid for senator or governor. "Anyone who runs statewide needs a strong base in the LA region, and I don't know of any reach that Golding has in that area," says Karen Paget, author of "Running as a Woman: Gender and Power in American Politics." "It surprises me that people are talking about her for these positions without [having her] first stop by the Assembly or Senate."

Other political strategists disagree. The thing that will swell Golding's fund-raising base, they say, is the 1996 Republican National Convention. Golding worked overtime to lure the event to San Diego, promising an unheard of $26 million to convention organizers. "She now has an excuse to develop relationships with Wilson campaign [contributors]," said a close Golding adviser who asked not to be named. "By the time we get to March 1996, she will have had more contact with major donors than any other candidate positioned [for the Senate or gubernatorial GOP primaries] in the state."

Just as good, Golding will be one of the convention's instant stars. And unlike mentor Wilson — who can squander the best media exposure with pedantic policy lectures — Golding is a camera natural. She appears earnest and warm, articulate and intelligent. This is the Golding who will be introduced, perhaps for the first time, to millions of potential California voters and hordes of political reporters.

Does the prospect of a primary fight against Michael Huffington — last year's unsuccessful deep-pockets challenger to U.S. Senator Dianne Feinstein — chill any talk of a Senate run for Golding? How about the specter of going up against Lungren, far and away the early favorite for the GOP gubernatorial nomination?

"A lot will depend on who the other candidates are," acknowledges Gorton. "If the election were today, I don't think

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she would be a good candidate, but as she serves her term as mayor, her profile continues to grow and I think she becomes a credible candidate for one of the two top offices."

Golding demonstrates the moderate brand of Republicanism that could, as happened with Wilson, give her trouble with party conservatives should she seek higher office. Typically tight-fisted with money, Golding nonetheless expanded several social services and environmental programs on the supervisors' board. She supports abortion rights and has marched in gay-pride parades. Despite today's anti-affirmative-action fever, she supported a local law requiring city contractors to give women and minorities job opportunities.

"Partisan politics is a different world," concedes Mike McDade, a longtime Golding adviser and a local port commissioner. "Now you have the problem of the true believers, be they liberal or conservative. The pro-choice issue and her affiliation with Wilson might be the things that right-wing conservatives have a knee-jerk reaction to."

Regardless, McDade says, "Susan thinks on a very partisan level, and could probably make the transition."

A convergence of Golding's natural talents with California's current political landscape may help her overcome these and other obstacles, says another consultant. Few of the potential Republican candidates for U.S. Senate or governor have as much executive political experience as Golding, notes Tom Shepard, who ran Golding's mayoral campaign. Continued voter disillusionment with political establishments — well illustrated by Washington and Sacramento — could help handlers portray Golding as an "outsider from San Diego," says another. And being a woman in California politics, some believe, is still a plus.

"In a [general election] runoff between Susan Golding and [Democratic Lieutenant Governor] Gray Davis, her gender won't play a significant role," says one adviser who asks not to be named. "But in a multi-candidate field [in the primary], being a woman still has a significant advantage."

And if Wilson is president or — more practically — vice president, says San Diego political consultant Jack Orr, Golding already has a leg up. "As we've seen over the years," Orr says, "Pete's a very loyal person, and he's always liked Susan."

But to Golding's critics, nothing will overshadow what they call her public-policy failures. Critics say Golding focuses less on what she can do for an issue than what it can do for her. Prominent examples, they say, are her attention to costly and high-profile projects such as building a downtown sports arena or a canal linking San Diego's major bays. She has neglected, they say, to take a lead in finding a replacement for the city's crowded airport or in providing adequate homeless shelters, which were ruled by a judge last year to be substandard.

Navarro, for instance, says Golding mistakenly applauds herself for San Diego's rebound from recession. Instead, he says — and area economists agree — San Diego has added jobs that pay less than the ones lost during the recession. And a sharp drop in unem-

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ployment, they say, probably has more to do with changes in calculating the unemployment figure than with actual job gains.

John Hartley, a former San Diego city councilman who will challenge Golding for her job in 1996, says the ratio of police to city residents — now 1.65 officers for every 1000 residents — remains unacceptably high despite additions to the police force. For her part, Golding points out that when she took office, *Fortune* Magazine had just ranked San Diego 57th out of 60 major cities as good places to do business. Late last year, San Diego was among the top 25. And *California Business* Magazine declared it the most business-friendly city in California with at least 200,000 people.

Under her leadership, Golding says, the City Council cut the small-business license tax in half and wiped out many burdensome business regulations. The council imposed a teen curfew credited with cutting the numbers of violent crimes by juveniles. During her term, crime dropped in every category.

Golding has worked hard — some say at the expense of other priorities — to forge tighter bonds with Mexican authorities and Washington leaders. This, she said, helped her win more federal money for police protection and a promise from House Speaker Newt Gingrich to exempt San Diego from federal requirements for secondary sewage treatment. She secured $6.2 million in state and federal grants to help San Diego firms and workers hit by federal defense cuts, though it probably helped that she was chairwoman of the California Military Base Reuse Task Force, a Wilson appointment.

"If you aren't in a position to pick up the phone, particularly when you're a West Coast city, you have to work very hard to keep the profile of the city before key decison-makers," Golding says. Some say Golding's regular Washington trips are made less for the city's sake than to raise her own profile. Jokes Michael Shames, a former environmental activist in San Diego: "She goes back so frequently I was wondering if this was the mayor of San Diego, or the ambassador from San Diego."

There is, some say, a cold edge to Golding's ambition. This was well demonstrated, critics say, when Golding decided to divorce Silberman after a survey made it clear her husband's problems with the law might work against her mayoral campaign.

"She is the quintessential, 'Do what my pollster says I must do to get to the next level,'" says Navarro. "I don't find her to take positions on the basis of any strong core system of beliefs."

Like any good pol, Golding's response to critics like Navarro is that they would lie, cheat and steal to make her look bad. Her response to speculation about her future is that she is focused on re-election in 1996, consumed with running the city and giving little thought to higher office. In nearly the same breath, however, the mayor wants to know what folks are saying about her prospects.

Jim Dignan, a Republican Party operative, predicts there's a place for Golding on California's political horizon. "Whatever she decides to do," he says, "a lot of us will be supporting her."

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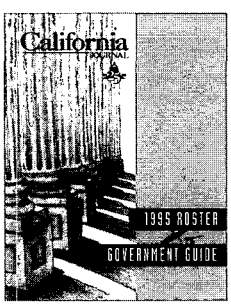

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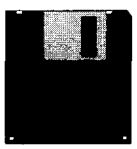

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Public Service Journalism

A once-pristine environment

Is it too late to save California?

By Tom Knudson

The drive over Brockway Summit on Highway 267 to Lake Tahoe is routine enough. But every time I head over the pass, I hear a distant echo — a voice from long ago: Mark Twain recalling his first glimpse at the bold, blue lake in August 1861.

"As it lay there with the shadows of the mountains brilliantly photographed upon its still surface," Twain wrote in "Roughing It," "I thought it must surely be the fairest picture the whole earth affords."

Today, Twain's words evoke a strange magic: They soothe and they hurt. Celebration has turned to requiem. Lake Tahoe, as everyone knows, is a much different place nowadays. Its dirty air, clogged roads, algae blooms and dying forests have become legendary. But Tahoe's travails are more than a tragedy. They are a parable for our times.

Once, California was the grandest citadel. Its beauty and bounty were beyond belief. Rivers were full of salmon. Skies were draped with waterfowl. Along the North Coast and in the Sierra Nevada, trees grew so huge they seemed extraterrestrial. Majesty was the heart of California. It rumbled through the Big Sur poems of Robinson Jeffers. It was etched onto panels at the State Capitol. It thundered in the prose of California's most famous conservationist, John Muir.

"Climb the mountains and get their good tidings," Muir wrote of his beloved Sierra.

Tom Knudson is Sierra correspondent for The Sacramento Bee. *In 1992, he was awarded a Pulitzer Prize for meritorious public service for his series, "The Sierra in Peril."*

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ravaged

"Nature's peace will flow into you as sunshine flows into trees."

But majesty does not build civilizations. People do. Dollars do. Majesty gets lost along the wayside. It doesn't have to but it does. Just look at California.

In the 19th Century, hydraulic miners got their gold but left the foothills scarred and bleeding. Eighty years ago, Los Angeles got water from Owens Valley but turned Owens Lake into a toxic dust bowl. San Francisco dammed the Tuolumne River and Hetch Hetchy canyon. California even killed its state symbol — the grizzly bear. The last one was shot in 1924.

Today, there are new problems — lots of them. Air pollution is causing crop damage in the San Joaquin Valley and fumigating forests in Sequoia National Park. Soil erosion is choking reservoirs and destroying fish habitat. Species are disappearing. California cities have grown so huge that one prominent biologist — Michael Soule at the University of California, Santa Cruz — calls them "centers of extinction."

Southern California is the prototype. Just 60 years ago, the air was scented with orange blossoms and the San Fernando Valley was mostly farmland. No more. Today, the region is growing so fast that, as author Marc Reisner put it, it may run out of air before it runs out of water.

"The fundamental problem," Reisner said in a talk not long ago, "is the human race is devilishly clever but criminally short-sighted when it comes to resources, ecology and especially sustainability."

But somehow, there is good news, too. While much has been lost, much also remains. One hundred million acres is a lot of ground. California is not yet New Jersey West. On its good days, there is no place finer. The slap of heavy surf on the northwest coast, the distant sparkle of the snowclad Sierra, the rose-tinted dawn over the Mojave desert — all are emblems of a greatness not yet gone.

Rich Pedroncelli

California is a funny sort of place. It can sadden you one day with its concrete and gridlock. The next day there is a black bear shuffling through your campsite, a bald eagle in your binoculars.

During my eight years here, California has revealed many such surprises. Shorebirds in Death Valley. Salamanders in the Sierra Nevada. A tarantula big enough to stop traffic. A Pacific fisher, one of the rarest, most elusive mammals in North America, 90 miles southeast of Fresno.

Still, as California heads into the 21st Century, there's no denying its problems are enormous. But so is its potential.

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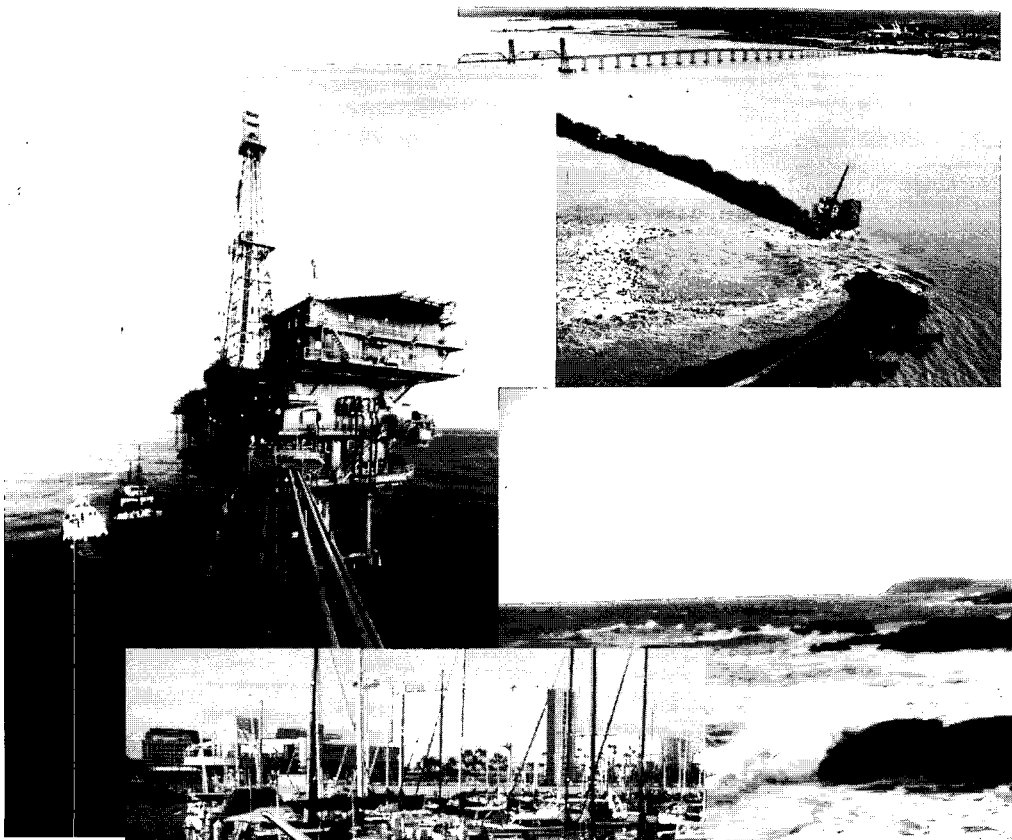

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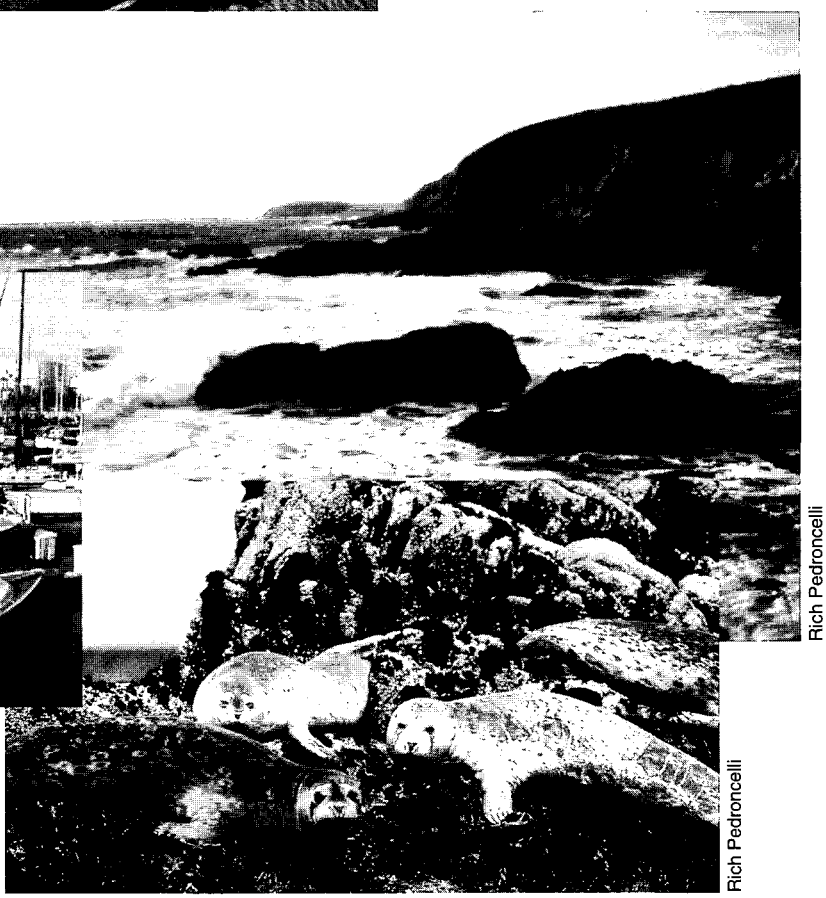

Rich Pedroncelli

Rich Pedroncelli

The challenge is not just to hang on to what remains but to bring back some of the old magic. Get rid of air pollution and California could have the cleanest skies in the nation. The reason? There are no factories or power plants upwind — only the wide blue Pacific and its vast cushion of fresh, clean air.

"If I lived in Ohio, I wouldn't be nearly as enthusiastic," says Tom Cahill, a veteran air-pollution specialist at the University of California, Davis. "Unless we pollute every day, all day, the state would get clean. California is in control of its own destiny."

Our forests could once again be the great cathedrals Muir described a century ago — not the sickly fire-prone thickets they are today. And it need not cost jobs. It could create them. But it will take new thinking, new action. Every year, we spend a king's ransom to put out fire, a pittance to prevent it. Preventative medicine works for our health. Why not for forests?

Preventative medicine means more fire — under controlled conditions — to clear out underbrush and make forests more spacious. It also means biomass harvesting and other kinds of logging and fuels reduction where fire isn't practical.

"It's serious business," says Larry Caplinger, fire management officer on the Stanislaus National Forest. "What we're saying is 'Let's buy some fire insurance for our national forests.' We buy it for our homes. Let's buy it for national forests."

One of the biggest challenges will be safeguarding California's spectacular biotic warehouse. California, even after 150 years of exploitation, is one of the richest biological regions on earth. There are coastal gnatcatchers, delta smelt, fringe-toed lizards, kangaroo rats, yellow-billed cukoos, limestone salamanders, giant garter snakes and several thousand other native plants and animals. No other state has such an inventory.

They are survivors. Native Californians. They have outlasted miners, loggers and dam builders. You might think they would be safe today. You would be wrong. They face new and growing dangers. One of the biggest is close at hand. With 32 million people in the state, native species are simply being shoved aside. Habitat is divided and subdivided until only small islands of open ground remains. Such patches might look pretty but they are prison cells for many species. Cut off from outside populations, they exist in a doomed world — a landscape of the "living dead," says Reed Noss, editor of *Conservation Biology*, a scientific journal.

California's population growth shows no sign of stopping. During most of the 1980s, we grew at the rate of 2000 people a day, a new San Francisco each year. In 1990, a whopping one million newcomers showed up. By 2020,

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California is expected to have 60 million residents.

"We are losing species and habitats so fast it is almost mind-boggling," says Peter Moyle, a professor at the University of California, Davis, in a remarkable new book about California wildlife, "Life on the Edge" (Biosystems Books). "Southern California seems to have an especially uncontrollable problem. Essentially every species of native fish in Southern California belongs on the endangered species list."

People aren't the only problem. "Alien" species are causing major trauma, too. A Chinese clam brought here inadvertently on a cargo boat is reshaping the ecology of San Francisco Bay. Non-native grasses are pushing out native plants in the Mojave Desert, depriving the desert tortoise of nutrition.

"We are a weed species," the late Wallace Stegner once wrote. "Wherever we go, we crowd out natives and carry with us domesticated species that may become weeds in the new environment. What we destroy we often do not intend to harm. What we import, we import with the best intentions."

Let's say for a moment that you don't care for blunt-nosed leopard lizards or Almeda whipsnakes. You've never seen such things. You may not want to. What good are they anyway?

A fair question. And a tough one. Phil Pister of Bishop has a response. Pister, a retired biologist with the California Department of Fish and Game, has devoted his career to saving little-known creatures, such as the Devil's Hole pupfish. He has heard the "what-good-are-they" question many times. Each time, he answers the same way: "What good are you?" he says.

There's another response: Because we can.

California, even in a recession, is an economic powerhouse, a super state. We are part of the world's greatest nation. We send people to outer space, design Star Wars defense systems, watch satellite television. Why not safeguard life on earth?

This shadow world of nematodes and gnatcatchers, diatoms and delta smelt is more important than we realize. They are rivets on an airplane. Lose too many, and you crash. As Paul Ehrlich, professor of biological sciences at Stanford University, says: "When we destroy biodiversity, we're sawing off the limb we sitting on."

Saving biodiversity won't bankrupt us. It will enrich us. You say government doesn't have the money? Well, it seems to have the money for other things. How about those $90,000-a-year do-nothing jobs the State Legislature hands out? Why not cut some of that stuff, and put the money to work restoring watersheds? Why not award tax credits to ranchers who protect streams, who help save condor habitat? Why not put armies of young people, homeless people, welfare recipients to work cleaning beaches, fixing forests, mending ecosystems? What better place to begin than California, with its history as a social innovator, a national trend-setter? The time is right, too, with federal power shifting back to the states.

But alas, these are bleak times for the environment. The talk these days is about gutting conservation laws, not expanding them. Politicians, commodity groups, conservation organizations, all have daggers sharpened and poison in their press releases.

Still, you can find encouraging signs.

Last year, after 15 years of legal wrangling between the Los Angeles Department of Water and Power and environmentalists, Mono Lake was saved by the simplest of solutions: Just add water.

California's Resources Secretary Doug Wheeler is bringing developers and conservationists together to avoid the legal minefield of the federal Endangered Species Act. The centerpiece of the effort, the Natural Communities Conservation Planning Program, is aimed at preserving the once-unknown, now-famous California coastal gnatcatcher.

The Bank of America has joined with the Resources Agency, the Greenbelt Alliance and the Low Income Housing Fund to issue an ambitious state-wide growth-management blueprint for California.

"It is clear sprawl has created enormous costs that California can no longer afford," the groups say in a February report. "Ironically, unchecked sprawl has shifted from an engine of California's growth to a force that now threatens to inhibit growth and degrade the quality of life."

In the north end of the Central Valley, there's more good news: Rice farmers, working with conservationists, have changed farming practices to provide 90,000 acres of winter habitat for waterfowl such as sandhill cranes and snow geese.

Such measures deserve standing ovations. Unfortunately, they don't often get them. Cooperation doesn't grab headlines. But it should. It is getting some attention right here. Right now. Let's see some more of it.

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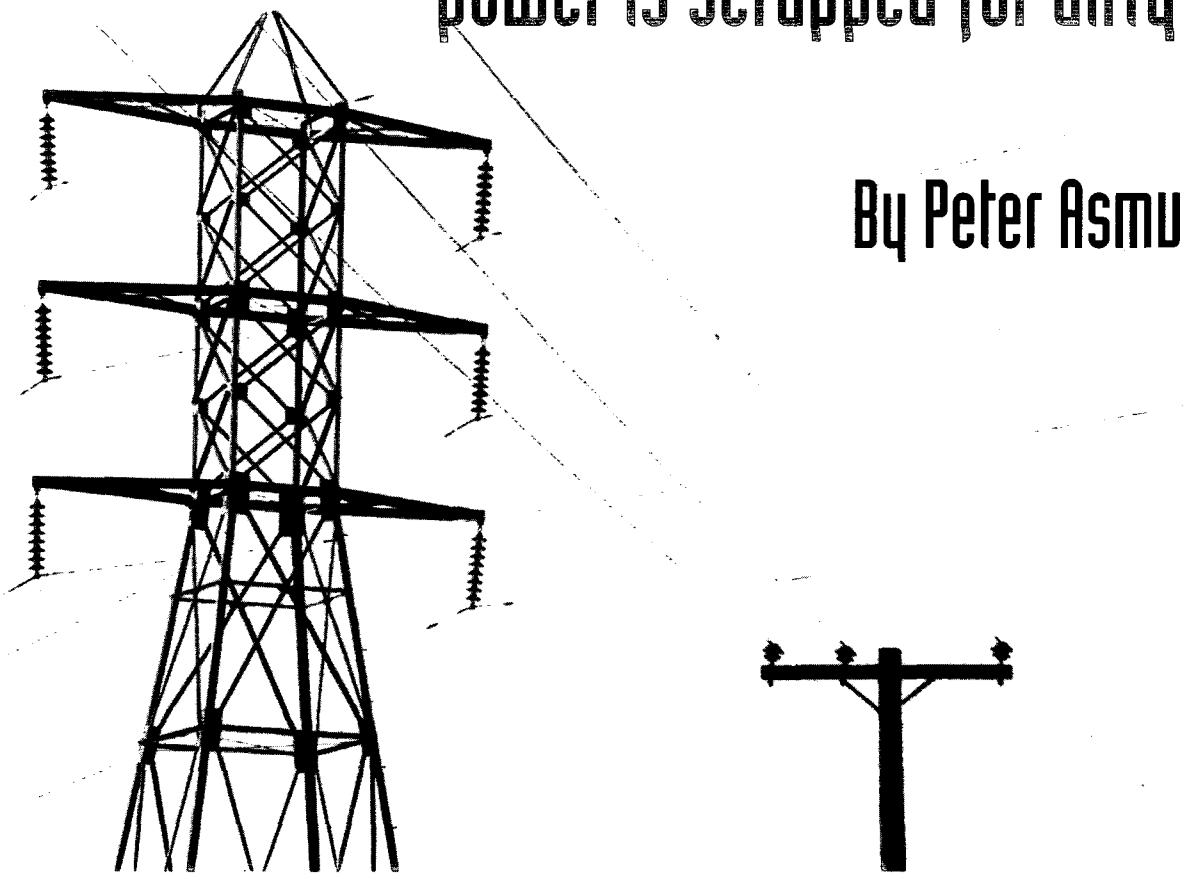
Retail wheeling

California plans a grand experiment in electricity reform, but will it mean that clean power is scrapped for dirty?

By Peter Asmus



Photograph by Nancy Cohen, Journal archives

California has always prided itself in moving ahead of the pack. Over a decade ago, the Golden State pushed resources such as the sun to help develop a renewable energy industry that is now widely heralded as an international success story.

But progress has its price. As a result, California's electric rates are, on average, 50 percent higher than those in the rest of the nation. Though innovative utility energy conservation efforts have helped reduce the actual bills paid by both small and large consumers of electricity, a lingering economic recession in this troubled paradise has taken its toll. Now, however, California is poised to become an energy policy leader once again — this time by deregulating electricity. But unlike past energy innovations, the beneficiary this time won't likely be the environment. It will be large industrial concerns, some of them notorious polluters, which consume

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gobs and gobs of electricity.

Last April, the California Public Utilities Commission (CPUC) put forward a proposal that included provisions for "retail wheeling," also known as "direct access," which would allow large industrial operations to abandon their current supplier of electricity — the utility monopoly — and pick, say, a coal plant in Mexico. Lower environmental standards there translate into super cheap electricity. Small consumers wouldn't get to choose alternative suppliers until the next century and would probably get stuck with paying for the past mistakes of the existing utilities — including very, very expensive nuclear power plants.

All eyes are on California as the notion of deregulation becomes increasingly attractive in the current political climate. A final decision is scheduled for later this year. But a puzzling question appears: Who fueled this new, revolutionary, and possibly devastating, proposal to revamp the regulatory underpinnings of the modern electric utility industry?

Barbara Barkovich is a consultant representing the California Large Energy Consumers Association (CLECA), 12 companies — most foreign-owned — that really soak up the juice. Retail wheeling sits at the top of the agenda of this coalition of steel, cement and one of the largest gold mining firms in the world. Barkovich, a former member of the California Public Utilities Commission, scoffs at the notion that CLECA was the prime driver behind the bold CPUC move, however. "I wish I could take the credit," she laughs. "Anyone who believes that CLECA controls the CPUC needs a bogeyman really badly."

One of the chief architects of retail wheeling — Jess Dasovich, an analyst with the CPUC Division of Strategic Planning — claims that two new CPUC commissioners were the chief retail-wheeling champions. Both appointees of Governor Pete Wilson, they were frustrated with the "myriad of complex and controversial balancing accounts and rate-adjustment mechanisms they had to contend with every 12 months" as part of their new regulatory responsibilities, he said. Commissioner Norm Shumway, a former GOP congressman, had just witnessed the deregulation of the national gas industry and was eager to apply lessons learned there to the state's electricity market. He and former businessman Jesse Knight "became increasingly perplexed about the arcaneness and gridlock that seemed to pervade the utility resource planning apparatus," said Dasovich. Surrounded by states with some of the lowest rates in the country, they wanted to shake things up. Shumway, however, has since left the CPUC, creating one of two current vacancies.

A study conducted by the California Energy Commission (CEC) last year sets some context for the debate about the benefits of retail wheeling. When it comes to electricity demand, it is estimated that 1 percent of the state's consumers chew up 25 percent of the 45,000 megawatts (MW) of peak demand. Nevertheless, the commission predicted that custom-

Another endangered species: California's biomass industry

By Steven Barmazel

California's pell-mell rush to deregulate electricity will produce the inevitable winners and losers. Ironically, one of the losers is a fledgling industry that is imperiled just when it might be in a position to do the most good. Biomass producers, the folks who make electricity by burning plant material, will soon lose their statutory price supports, causing revenues to drop to a third of production costs and forcing the closure of many biomass generators.

The California Public Utilities Commission (CPUC) has offered scant solace to biomass operators and their suppliers. The commission wants to deregulate utilities, in effect codifying the switch to free-market prices. While recognizing that biomass energy offers Californians several benefits, CPUC officials have insisted that the commission is not the agency to rescue the industry. Some have suggested that biomass producers lobby the Legislature. To that end, the Assembly last year passed a resolution which asked the CPUC to include "resource diversity" and "[p]rotecting public health" as criteria for regulating the electricity industry. In December the commission itself requested industry members to report on how to foster production of energy from several renewable resources, including biomass, wind, geothermal and solar heat. Submitted in February, the report's proposals include purchase quotas, price incentives and sanctions for utilities and other purchasers, price incentives for producers, and the creation of a state agency to buy energy from renewable sources.

California's biomass industry blossomed in the wake of the oil embargoes of the 1970s. The federal government forced utilities to buy energy from alternative sources, and 51 biomass generators plugged into the state's energy grid. Today 34 remain, supplying less than 1 percent of the electricity used by Californians.

Initial prices were based on projected costs of oil, then the main fuel for electrical generators. Barrels of oil were expected to cost more than $100, according to a PUC analyst. They

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ers representing a total of 1000 MW would be attracted to retail-wheeling. CLECA members employ 3500 people and operate 14 facilities that require 330 MW of electricity. Given those numbers, retail wheeling could be viewed as suspect from the perspective of economic development. CLECA members, after all, represent about a third of the total potential direct-access market, according to the CEC. When translated into jobs-to-electricity, the CLECA ratio is over 10 jobs-per-MW. Given that over 14 million people are employed statewide, the statewide average is over 300 jobs-per-MW.

Allowing large industrials such as cement plants to leave the existing utility system as early as next year, while residentials wait until 2002, not only raises issues of equity, but undercuts a myriad of social obligations most have come to expect from electric utilities.

Barkovich, who pushed renewables and conservation during her tenure at the CPUC under former Governor Jerry Brown, claims to be an environmentalist. Interestingly, CLECA sponsored and passed legislation in 1994 that directed utility funds toward industrial process upgrades at its plants. "We do not advocate a slash and burn approach" to existing environmental and social programs, she said. "We just want to use competition to get the best price for power."

Some environmentalists, such as the Environmental Defense Fund and the Sierra Club, have come up with reforms that could save ratepayers money. "The public wants cheaper and cleaner power," comments Rich Ferguson, national energy chair for the Sierra Club. "If competition is about choice, then I think people will chose renewables and conservation," he continued, revealing his faith in the virtues of shopping for electricity.

And V. John White, executive director of the Center for Energy Efficiency and Renewable Technologies, has more respect for CLECA than its national counterpart — the Electricity Consumers Resource Council (ELCON), a group of 24 companies that consume over 4 percent of the nation's electricity. "At least you can talk to CLECA, and they say they know renewables, such as wind power, are now competitive. That's one reason why they want to cut their own deals," he commented. "ELCON, on the other hand, has no respect for the environment."

One consultant, who wished to remain anonymous, said that ELCON wants to get California to adopt a policy as "uncompromised as possible because they fear the California plan will become a model for the country. If there are provisions for renewables and conservation here, they will have to gulp and swallow that elsewhere."

Retail wheeling is being proposed throughout the country, but only in California — a state that represents a $20 billion chunk of a $100 billion industry and is still viewed as an energy policy trendsetter — is the entire regulatory system proposed to be scrapped and replaced by a brave new, and uncertain, world.

currently trade at between $15 and $20.

More important, utility companies switched to burning natural gas, which is even cheaper. It costs only 2 to 3 cents to produce one kilowatt hour (KWH) of electricity — compared to as much as 13 cents per KWH charged by biomass plants, according to Tom Thompson, a CPUC energy supervisor. Even at that relatively high price, biomass profits are slim because production costs run between 8 cents and 10 cents, Thompson said.

Most biomass energy contracts are for 30 years and include price supports for a third of that time. Within three years 17 generators are set to go over "the cliff," said David Allen, a consultant to the California Biomass Energy Alliance, an industry group. "The cliff" is what industry insiders, with an eye on projected price graphs, call the switch to competitive pricing.

But the notion of a biomass industry doesn't hinge on price alone, for there is a substantial environmental benefit. According to industry sources, California biomass generators burn about 8.5 million tons of waste from forests, farms and cities every year — a tonnage equal to a quarter of the waste dumped in landfills throughout the state. That's important when considering that California cities must reduce landfill materials by — coincidentally — 25 percent this year, and 50 percent by 2000, based on 1990 levels.

Biomass generators consume 1.7 million tons of urban plant waste, equal to the refuse produced by more than two million Californians, Allen said. Burning more cleanly than open fires, biomass generators in the Central Valley reduce key pollutants in that region by 65,500 tons a year — a figure that equates to the removal of 800,000 cars from Valley roads, Allen said. Biomass also helps rid forests of burnable debris. Each year, industry operations clear the underbrush and spindly trees from 60,000 acres of California forests. "That effectively fireproofs the land for 15 years," said Allen. That saves the state $22 million in fire-fighting costs and timber losses, said Ken Nehoda, chief of the vegetation-management program for the California Department of Forestry and Fire Protection. Other property losses and pollution costs are extra.

To promote forest health and prevent fires, the United States Forest Service is considering a 10-fold increase in California thinning operations, to one million acres yearly. According to forest service officials, biomass generators offer the only feasible way to dispose of the expected waste. A multi-agency strategy adopted in November for managing California forests and rangeland, more than half the state, also relies on a viable biomass industry.

But biomass plants can't process all the debris proffered now. Mountains of California waste already overwhelm them. The closure of biomass generators in Northern California's timber territory would further ravage a local economy already devastated by greatly reduced harvests. In Plumas County, for example, timber harvests have dropped 75 percent in just three years. Biomass generators are the main consumers of forests' other main product — debris such as twigs, undergrowth and bark. The loss of local generators would cost the county as many as 100 logging jobs and add 1 percent to local unemployment, said John Sheehan, executive director of the Plumas County Economic Development Agency, who added that the 1 percent figure doesn't count the ripple effect on other businesses. Unemployment in Plumas County already is about 15 percent.

The CPUC is expected to respond to the report on fostering renewable energy sources in late March. Meanwhile, biomass generators throughout the state work at full capacity, and turn away heaps of debris.

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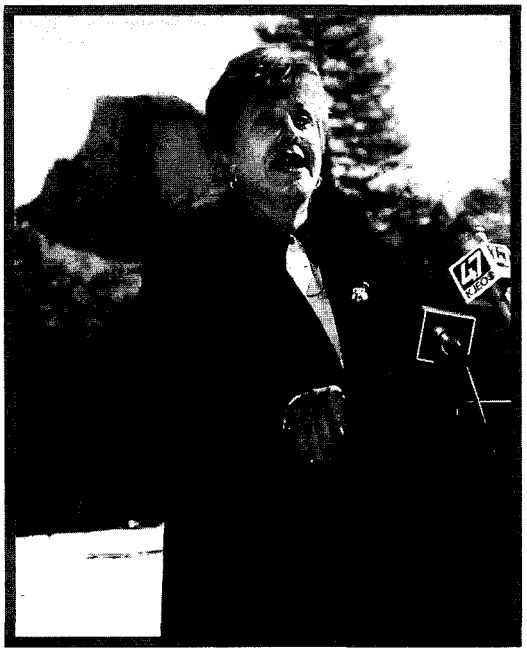
Yosemite

New Management for an Old Favorite

By Dan Blackburn

Remnants of winter's heavy snow still dusted the tops of famed Half Dome and El Capitan, but Yosemite's awe-inspiring waterfalls were thundering off the heights with spring-like fervor as the park's new superintendent declared, "This has to be the most wonderful job in the world!"

Just 72 hours earlier, Barbara J. "B.J." Griffin had driven into the park to take the reins as Yosemite's first woman superintendent. As such, she became the first woman to head any of what are considered the nation's major western parks — Yosemite, Yellowstone, Grand Canyon and the Tetons. And she arrived at a time when Yosemite struggles with an almost staggering number of visitors, while a new concessions operator is only just finding its footing.



Illustrations by Dan Blackburn

Barbara J. Griffin, Superintendent

Griffin is fully aware of the extra attention she will get as the first woman to head the famed park. In her first formal interview as superintendent, she said, "It's a wonderful and, at the same time, awesome responsibility. I feel that I'm certainly capable of doing the job. I look forward to the challenges that I know are here. And I want to do a good job to demonstrate that women can be very, very committed and effective managers of these areas."

In the late 1980s, Griffin served for three years as assistant superintendent in Yosemite. But when asked if she ever thought she'd return as the boss, Griffin shakes her head and, in a voice that echoes her Louisiana heritage, she replies, "No. I really didn't. It was beyond my wildest dreams." In between, she was associate regional director of the Park Service based in San Francisco and, most recently, the Mid-Atlantic regional director, presiding over an area that includes such historical parks as Gettysburg and Shenandoah.

Within the park itself, her return has been greeted mostly with cautious enthusiasm. Jim Tucker, a veteran ranger who has spent most of his life in Yosemite, observes, "She's a very moxie lady. She will listen to you. One thing that we really respect about her is that she knows when she doesn't know something about an area of concern. And she is smart enough to seek out people who do have that expertise and listen to

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Dan Blackburn is a correspondent for CNN News who writes frequently on Yosemite for California Journal.

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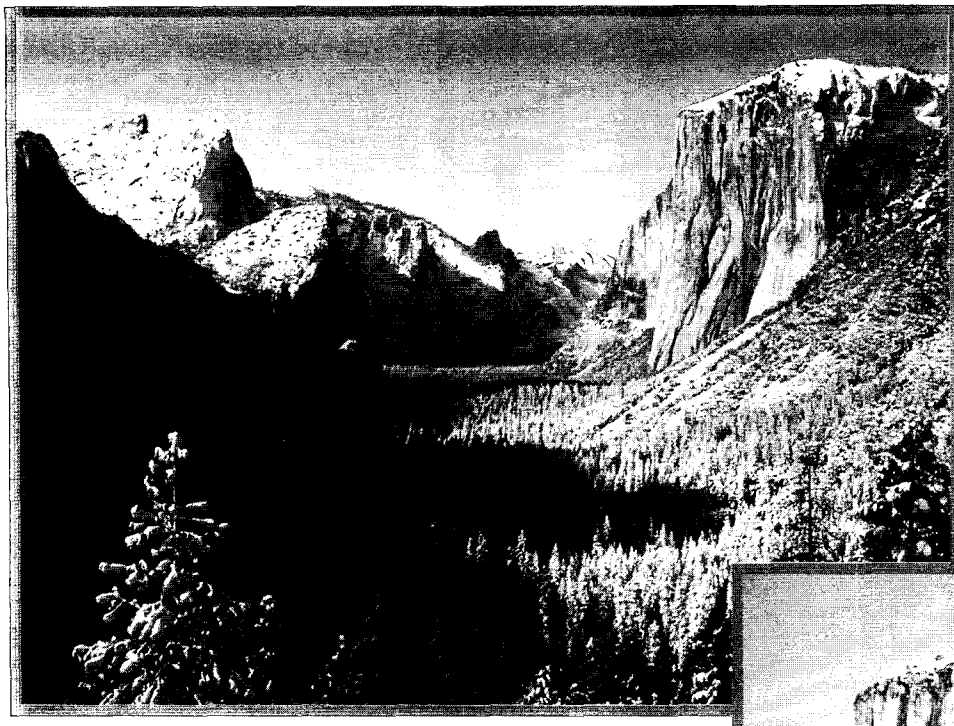


Yosemite after snow storm

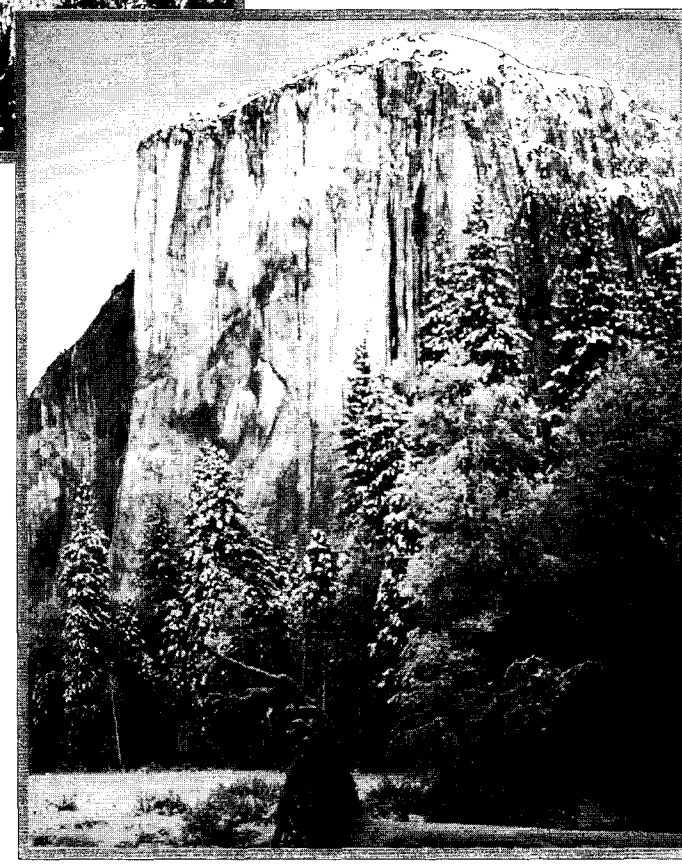
them on it." Bob Hansen, who heads The Yosemite Fund, is quick to add, "She knows the park. She knows the issues. And she knows the players. And that will help tremendously in managing the park." Most agree that a lot of management will be required.

Increasingly, supporters of the park argue that the Park Service is going to have to take a tougher approach to managing the rising tide of visitors who now arrive in almost every season. Last year, a record of nearly 4.1 million people visited Yosemite. That's an increase of three quarters of a million in just the four years that Griffin was away from the park. Anne Iverson, chairwoman of the Sierra Club's Yosemite Committee, warns, "The stress on national parks is growing. And the Park Service is going to have to say *no more*. They'll have to put their foot down, or Yosemite will suffer."

Griffin agrees that the current trend cannot continue without forcing major changes. And she says she will take a look at various approaches to a day use reservation system. It is clear that tour buses have become part of the problem. In 1980, only 5000 buses a year drove into the park. Now that number has soared to almost 16,000, bringing both more people and more pollution to the valley. But, while willing to weigh some form of tighter controls, Griffin cautions that it is a tough balancing act. She explains, "I would hate to take a family who has just driven 1000 miles and arrived at this park maybe for their first and only time and then not be able to see it. That is something that we've got to build into whatever regulation that we envision for the future."

The key may be how Griffin approaches implementing the 1980 master plan for the park — a document adopted amid much fanfare a decade and a half ago but which has languished in a mire of conflicting interests and inadequate funding ever since. The plan calls for reversing much of the man-made development within the park and sharply reducing the traffic flow. And, in the next year, the Park Service finally is supposed to deliver a housing and transportation plan to begin meeting the 1980 goals. Griffin considers this project her biggest challenge, saying, "We need to get the best thinking — and that goes for the public, as well — assisting us in coming to correct solutions for Yosemite."

An important part of that thinking will come from Yosemite Concession Services — the park's new concessioner, which took over from embattled entertainment giant MCA. That company, which operated under a markedly different contract, had been accused of reaping what some called obscene profits from the park while putting little back into it. Yosemite Concession Services, or YCS, as it is known, is a



Winter evening, El Capitan

subsidiary of Buffalo, New York-based Delaware North and operates under a new 15-year contract valued at about $1.5 billion. But, unlike before, the Park Service clearly calls the shots as the landlord, and YCS is paying the National Park Service slightly more than 20 percent of its annual gross receipts — a significant improvement for the government. It includes money that goes into a capital improvement fund for use in the park. The fund currently totals nearly $5 million. In addition, the company is purchasing all of the old MCA assets in the park and has embarked on a major clean-up of underground storage-tank contamination, is making renovations in the historic Ahwahnee Hotel, has removed the fast photo and video stores and generally made a commitment to being a newer and better tenant.

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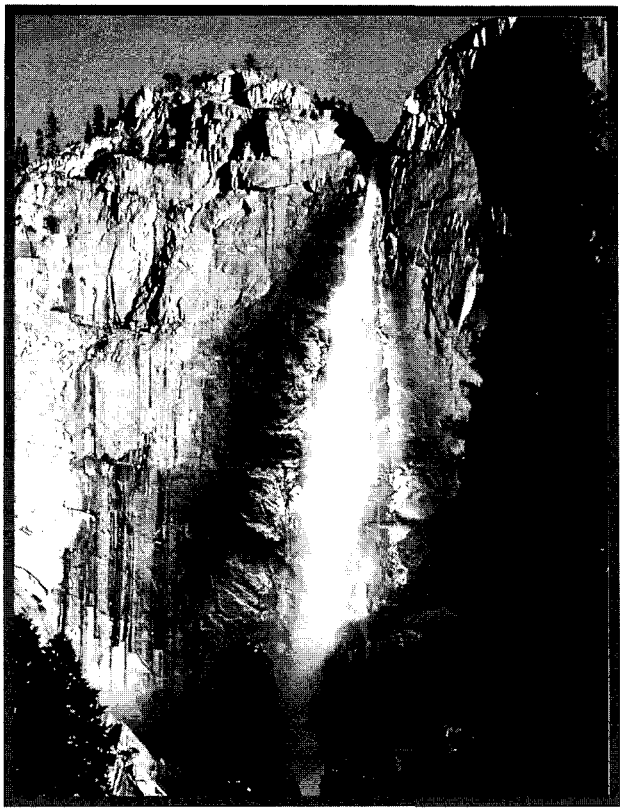
All of this plus debt service is costing YCS an estimated $9 million annually, which, even with more visitors, initially makes things tough on the bottom line. During its first year in Yosemite, the company fell 4 percent short of its earnings goal. YCS President Gary Fraker says, "At first, we were concerned that it was us, and we were doing something wrong. But I've since come to the conclusion that I don't think we are. I think that a lot of it has to do with the California economy in general." As a result, Fraker expects this year to be better, partly because the whole operation has gotten through its initial shakedown phase and partly because the economy seems to be improving. Fraker adds, "The whole bottom line of all of this is how to improve the quality of service to the park guest. And improve the timeliness of the services that are provided to them. So, we've got a very bright outlook for 1995."



Upper Yosemite Falls/winter morning

Despite the record number of visitors last year, Fraker thinks fears about the impact may have been overrated. He commented, "The park, in my opinion, was not overcrowded. I didn't see long lines. I didn't see traffic backed up or any logjams like they talked about in previous seasons." But he, too, worries about how to deal with the crowding issue. As Fraker puts it, "On those particular weekends on which they are most focused, those three or four specific times of the year when we really get hit, we need desperately to look at options — how to notify people and how to control the flow of people in here so that we don't move into gridlock situations that are unacceptable."

Among park veterans, including conservationists, perhaps the most dramatic change that has taken place in the past year is a change that has been almost invisible. It is one of attitude. The bunker mentality of the MCA days as concessioner in the park is gone. Anne Iverson of the Sierra Club says, "I think they could move a little faster on the concession services plan. But they seem to be very good to work with."

The Park Service seems to agree. A copy of the government's first year audit of YCS's operations reads, in part, "We feel that they have done very well. They have cooperated with the NPS and aimed to please, while firmly forwarding the business interests they are here to represent."

Fraker thinks the first year was one of significant progress. He notes, "There obviously was a real learning curve between us and the Park Service. And I feel that learning curve is over. We now know each other. We're working together." Good will aside, new park superintendent B.J. Griffin says she will be a tough boss when it comes to the concessions contract. As she puts it, "You have to be. It is a business proposition. We're here to provide a service and to protect resources. So that will be the objective. And, in every decision I make, that will be the driver."

And both sides will have to deal with lingering morale problems among employees. Working in a park like Yosemite is not always a picnic. And park rangers often face heavy workloads coupled with substandard housing and low pay. Park Ranger Tucker says, "We are the law-enforcement providers. We are the emergency medical service providers. We are the fire service providers. And we try to do resources management in between all those emergencies." All of this for a basic pay of slightly over $25,000 and an unstated requirement to donate overtime. However, a new Rangers Career Program in the Park Service has been at least a step toward improving conditions for full-time employees. But seasonal rangers, those who mostly work in the summer, still face major morale problems. As ranger Mark Fincher describes it, "We've had lots of promises. We've had lots of promises broken. No one knows what's going on, where it's going to lead. We get a new memo. Or a new rumor. Or something practically every day that makes your hopes go up, down or sideways. You don't know where your next meal is coming from. You don't know where your next paycheck's going. It's crazy. It's no way to lead any kind of stable life." While those problems are agency-wide for the National Park Service, Yosemite serves as a glaring example and one which some are looking to its new superintendent to help improve.

Democrats, especially, have suggested that making any improvements in national parks, including Yosemite, may be much more difficult with the Republicans in control of Congress. And, indeed, there has been talk of cutting back the Park Service. But Yosemite's Griffin remains optimistic. She argues, "I think that the National Park Service enjoys wide bipartisan support. I've talked with the new chair of the House Subcommittee on Appropriations (Ralph Regula, Ohio). He is extremely supportive and has been a long friend of the National Park Service. I think that it's just a new group of people in different positions. And I think once they become more familiar with the National Park Service that they will be very, very supportive."

Perhaps. Griffin seems more likely to benefit in Yosemite from the concessions contract she helped negotiate as much as from any growth of support in a budget-conscious Congress. Both she and the park's new congressional overseers might want to reflect on the words of John Muir, who wrote, "I have done the best I could to show forth the beauty, grandeur, and all-embracing usefulness of our wild mountain forest reservations and parks, with a view to inciting the people to come and enjoy them, and get them into their hearts that so at length their preservation and right use might be made sure."

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The Bottom Line

GOVERNMENT FINANCE

By Susan Rasky

See Dick and Jane Govern

The hottest book in Sacramento at the moment has nothing to do with kinky sex or political corruption.

This one's got big type and plenty of charts and graphs. Don't waste your time asking for it at the local bookstore; the run was limited. The book, actually a grey plastic binder that allows for easy addition or replacement of pages, goes by the unassuming title "CAL GUIDE."

It's a primer on how California government is organized and financed, and its publication by the Legislative Analyst's Office earlier this year is a rather eloquent reminder that the vast majority of legislators now overseeing the largest and most complex state government in the nation are at about the 'Dick and Jane' level of comprehension on how the whole shebang works.

Just to be clear, this is by no means a criticism of the Guide or of the LAO for producing it. On the contrary, the simple and concise explanations of state programs, demographics and economic trends are terrific reference material. And in the interests of informed, if not enlightened, government, perhaps we should require every candidate for state office to demonstrate basic understanding of such material before being listed on the ballot.

The issue here is not what the LAO *is* producing, but rather what it can no longer produce with a staff that once numbered 106 now reduced to 45. That reduction was mandated in 1990, when voters approved an Prop. 140, imposing both term limits on legislators and a 35 percent cut in the legislative budget. In other words, the devil of legislation is in the details, but the experts best equipped to study and analyze those details on an non-partisan basis are, to say the least, overwhelmed.

Gone are the bill analyses the LAO once provided for Assembly and Senate members, and, as careful readers of the LAO's annual review of the Governor's budget will note, gone too are the complete breakdowns of programs within each major budget category.

The loss to the legislature, and by extension the public, of such independent expertise is all the more troubling because even the partisan sources of budget and policy analysis have been either eliminated or greatly reduced in influence. The Commission on State Finance is gone, and the Assembly and Senate Offices of Research are dormant at best. True policy wonks may not have looked to these organizations for unbiased information, but the political counterpoint their studies and press releases once provided was a useful way to rouse attention and debate on policy questions.

The Legislature's only other major source of non-partisan information, the Auditor General's Office, also is gone. It lives on in smaller, reconstituted form as part of the executive branch. Now known as the Bureau of State Audits, its staff has shrunk from 185 to 115, its budget, from $12 million a year before Prop. 140 to $8 million for the current fiscal year.

The reduction clearly would have been more severe were it not for the pesky little problem of federal auditing requirements. California receives $19 billion a year in federal funds, and part of the condition for getting them is ongoing auditing of the programs those federal dollars help support. But as State Auditor Kurt Sjoberg points out, that means staff time that used to be divided roughly equally between audits of federal and state programs now splits heavily in favor of the feds.

What's lost depends on how you calculate. During the 1993 fight to exempt the then Auditor General's Office from legislative funding reductions, Sjoberg estimated that the state saved six dollars for each one dollar invested in an audit. Other losses were more difficult to quantify - what 's the dollar value of improving toxic waste tracking systems or modifying medical record keeping procedures in foster care programs to ensure proper medical treatment of children in the state's custody.

Voters were not persuaded, however, and the resulting legislative compromise abolished the existing Auditor's office and made it an executive agency with special rules aimed at preserving its independence. Under those rules, the new Bureau of State Audits reports to the bipartisan Little Hoover Commission composed of 9 members from the public and 4 sitting legislators rather than to either the governor or the Legislature. The Little Hoover Commission, however, has no authority to initiate audit requests - that procedure is still handled through a joint committee of the Assembly and Senate. In addition, the Bureau of Audits is exempt form oversight by the state government offices that monitor contracting, budgeting, payroll and personnel policies of other offices within the executive branch. (Small wonder the LAO's CAL GUIDE is a must read.)

How do other states do it? About half - 27 to be exact - have auditors who are separately elected constitutional officers. Most of the remaining states have arrangements similar to the one California used to have, housing the auditing function within the legislature. A handful operate under a commission structure similar to the one California has now adopted. What's most important, however, is that no state spends as little as California does to monitor the operations of its government.

Prior to Prop. 140, California was spending roughly $10 million a year to audit some $70 billion worth of state operations. By comparison, Illinois spends the same $10 million as California to audit only $15 billion in state operations, and Ohio, with $62 billion in state operations to audit, spends $72 million to do it. In Florida, Texas, Michigan and Pennsylvania, the story is the same.

Under the wacky logic of term limits, perhaps this is all as it should be. As long as we're reinventing government, why bother with comprehensive auditing or detailed and sophisticated budget analysis?

The lawmakers who need it most will be out of office before they've figure out that governing is a little more involved than Dick and Jane might ever have imagined.

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Protecting the California environment

After 25 years, the struggle continues

By Cecilia Lanman

My family and I moved to the North Coast to homestead and search for the California dream of self-reliance, a healthy environment, and to truly become citizens of the place we inhabit. From our urban perspective, the "Lost Coast" was a wild place where Native Americans had lived a bountiful existence for thousands of years. The redwood region's natural abundance, however, was already devastated by industrial logging. We soon learned that our neighbors were struggling to protect the native stock of salmon from extinction and that nearly all the ancient forest in our watershed had been logged. Since then I've been working with the Environmental Protection Information Center (EPIC) to protect what little remains of the ancient redwood ecosystem.

When I reflect of the last 25 years of environmentalism in California, it becomes clear that our environmental history is part of larger political trends. California's native biodiversity, wealth of resources and population pressures necessitate careful development planning and protection of our diverse ecosystems. In the last 25 years California's population has skyrocketed from 16 million to 32 million people. The population explosion and depletion of resources brought about the need for state and federal governments to create laws to protect our natural heritage.

The decade of the 1970s was an era of hope for the environment with the blossoming of the grass-roots environmental movement, the creation of conservation policies and a progressive Legislature. Scientists, legislators and citizens advocated policies to protect ecosystems under siege by development. In the spirit of protecting threatened species and habitat, California patterned laws after federal policies by creating the California Endangered Species Act (CESA) and the California Environmental Quality Act (CEQA).

California helped set the national agenda for forestry reform with the 1973 Forest Practices Act (FPA), which sought to protect public trust values like healthy forests, fisheries and water quality. California's majestic redwood and Douglas fir forests are predominately owned by corporate timber industries. Despite laws to protect native forests and endangered species, the industry trend is to maximize profits by clear-cutting entire watersheds,

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planting monoculture tree farms, spraying herbicides and automating mills and logging operations. The redwood ecosystem became the battlefield for the "Timber Wars" where forest activists sought to protect the remaining forests and return to a more sustainable, locally based economy.

In the 1980s, environmentalists pursued diverse strategies to protect ancient forests, including litigation, legislative reform and grass-roots organizing. For EPIC, the Sinkyone native tribal lands on the Mendocino coast became the focus of the struggle to defend ancient forests and build coalitions with Native Americans, workers, environmentalists, lawyers and agency personnel. The lawsuit to protect Sally Bell Grove, *EPIC v. Johnson*, became a major precedent ruling that established that state agencies must consider the cumulative effects of logging in a watershed on water quality, soils and wildlife habitat when reviewing logging plans. In the decade since this victory, EPIC has successfully enforced this ruling in more than a dozen lawsuits to protect Headwaters Forest in Humboldt County, biodiversity and endangered species.

Consistent with the 1980s trend towards conglomerate takeovers of locally based resource industries, Houston-based Maxxam Corporation engineered a hostile takeover of Pacific Lumber Company, which owned the largest tracts of redwood forest in the world. Almost overnight, Maxxam transformed Pacific's selective logging policy into one of clear-cutting. EPIC temporarily protected the ancient grove through litigation.

The logging frenzy to liquidate the remaining ancient forests and the failure of agencies to enforce environmental laws forced activists into a statewide arena with the initiative process and mass organizing. In 1990, a North Coast forestry coalition, Forests Forever, qualified a grass-roots initiative for the California ballot that banned clear-cutting and authorized funds to purchase the Headwaters Grove. The initiative was narrowly defeated after a huge smear campaign funded by the timber industry. Earth First! organized "Redwood Summer," a campaign of nonviolent direct action that helped to bring international attention to the redwood crisis.

Last year our dream to protect the integrity of the remaining redwood ecosystem through ecological reserves and a restoration-based economy was championed by North Coast Representative Dan Hamburg (D-Ukiah) who introduced the Headwaters Forest Act (HR 2866). The persistence of a handful of visionary activists, the desire of the American public to protect ancient redwoods, and a Democratic majority enabled the bill to pass in the House of Representatives, but the inertia and gridlock of congressional politics killed the bill in the Senate. How do environmentalists proceed with an unresponsive government dominated by corporate interests?

The future for California's wildlands is bleak unless individuals join together to exercise our rights as citizens to protect the environment. The trend towards cooperative resource planning between government and special-interest groups will be moot if there is no healthy forest, clean air, water or soil. The fate of the salmon, songbirds and spotted owls portend our future. Our generation is faced with this formidable challenge: to reverse the trend of habitat destruction, the slide towards extinction and loss of biodiversity. California's diverse ecosystems are especially threatened because of overpopulation, rampant development and corporate interests. California has the seventh largest economy in the world, the largest population and congressional delegation in the nation and more endangered species than any other continental state. With only fragments left of functioning ecosystems and 96 percent of the ancient redwood ecosystem irretrievably lost, we cannot afford to compromise.

Illustration by Jan Castle, California Journal 12/79

The overarching environmental trend in the Clinton administration, Congress and California government is to try to balance economic concerns with a landscape in crisis. Environmental measures cannot be politically motivated but need to recognize biological realities. Natural ecosystems and ecological processes are interconnected and symbiotic. Similarly, efforts to preserve California's diverse habitats must be integrated and unified. To pursue our environmental dreams of self-reliance, citizen participation and bioregionally based communities, we need to act on local issues and focus on restoration-based economies that rehabilitate ecosystems and imbue our lives on this land with meaning and a vision for future generations.

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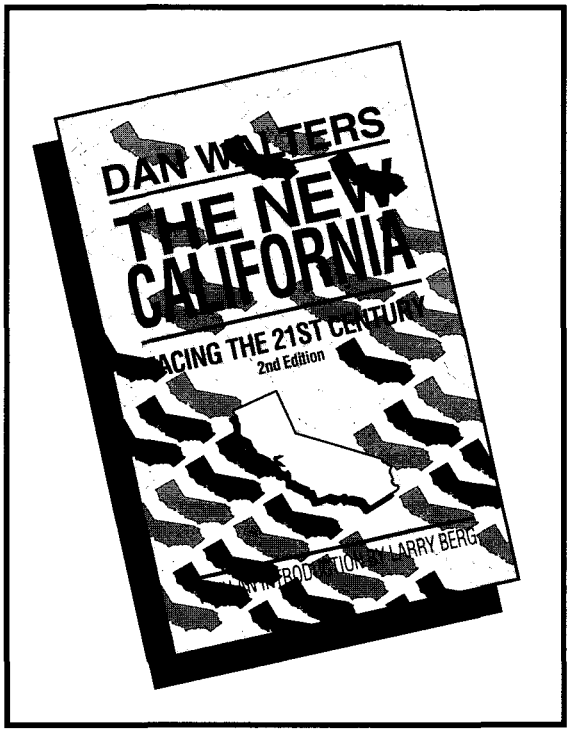

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David Dreier steps out

Republican House majority elevates role for California comer

Illustration by Norm Hines

By Herbert A. Sample

The rules committee of the new, Republican-led House of Representatives was meeting for the first time and its vice chairman, Congressman David Dreier, was looking awfully happy with himself. And why not? After two years of noisily criticizing House Democrats for what he called unfair procedural tactics, the congressman from Covina had the day before led a high-profile House session that enacted a package of reforms of his making, including the elimination of nearly three dozen committees and subcommittees.

But it was also a good day for Dreier, who seemed to know it as he leaned back in his chair as the committee session droned on, because it marked an official starting point of his rising stature in the GOP-controlled Congress. For Dreier the GOP majority is providing an opportunity to put his own stamp on the House's day-to-day operations. It also is raising his profile within the California delegation, a group that for years was dominated by powerful senior Democrats but now is experiencing the ascent of several Republicans who, like Dreier, have close ties to House Speaker Newt Gingrich (R-Georgia).

And while he has shunned frequent requests to run for statewide office, Dreier's moderate-to-conservative bent, telegenic looks and $2.3 million campaign treasury keep him near the top of the list of Californians to watch.

"He's a major force in the House," said Congressman Robert Matsui (D-Sacramento), who worked with Dreier to pass the North American Free Trade Agreement and the General Agreement on Tariffs and Trade.

Dreier came to the House 14 years ago at the age of 27, a few years out of Claremont McKenna College, with an ideological mind-set that matched his upper-middle-class, well-educated, northeastern Los Angeles County district. While he sat on two committees during the 1980s, Dreier blossomed in 1991 after he joined the House Rules Committee, a small yet

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powerful panel that determines when every bill will be considered on the House floor, sets the parameters of the debate and decides what amendments will be offered, if any.

From that perch, Dreier frequently berated Democrats in committee and on the House floor for "closed rules" that limited or barred amendments to controversial measures, such as the 1993 tax bill and last year's assault weapons ban measure. His critiques won him notice and appreciation from the House GOP hierarchy. He also advocated reforms as co-chairman of last year's Joint Committee on the Organization of Congress, a bipartisan panel set up to draft reforms for both houses of Congress but whose recommendations were largely ignored by the Democratic majority in the House and Senate.

Thomas Mann, a Brooking Institution congressional scholar who advised the panel, said Dreier's ideas were not politically motivated even if they would have drastically changed the way Democrats operated Congress. "David is very serious-minded," Mann said. "I think his interest in reform is not simply a way to advance some partisan interest. ...He is someone who is quite thoughtful about Congress."

Following Republican Election Day gains, Gingrich tapped Dreier to develop plans to reform House procedures. While he initially wanted to do more, Dreier ultimately was able to ax three full committees and 30 subcommittees. He also renamed some of the remaining panels to reflect Republican themes, such as changing the Education and Labor panel's title to the Economic Opportunity Committee.

For a time late last year, as Republicans were preparing to take control of the House, Dreier was rumored to be Gingrich's choice to chair the rules panel. That would have meant jumping over the committee's senior Republican, Gerald Solomon of New York, and Gingrich had already signaled he could ignore seniority when he denied Congressman Carlos Moorhead (R-Glendale) the chairmanship of both committees on which Moorhead was the ranking GOP member. Gingrich decided against pushing Solomon aside, and Dreier was named vice chair instead. But the speaker nonetheless signaled his trust in Dreier by tapping him to draft the GOP rules reforms and to present it on the House floor, and by selecting Dreier to lead an *ad hoc* panel on California issues.

Dreier's heavy load of responsibilities and a perception that he can be too accommodating toward Democrats prompted grumbling among some of the 25 California House Republicans. That concern manifested itself when the GOP delegation, by only one vote, elected Dreier to the California region seat on the House GOP steering committee, the panel that appoints House Republicans to policy committees.

With Democrats taking over his old role as critic of the status quo, Dreier has been getting a taste of his own medicine. For example, they scolded him for blocking a proposal to affix a gift ban and lobbying law changes onto his reform package. "I would say to the gentleman from California ... he promised that if he were in charge we would never again see closed rules," Congressman John Bryant (D-Texas) said on the House floor during the new House's first week. "When you are finally in charge ... the very first rule you bring to the House is a closed rule."

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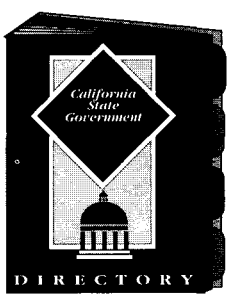

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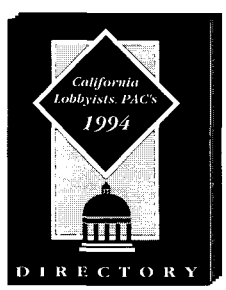

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Dreier responded that the rule was more open that any used on the first day of previous Congresses. But Mann said the House GOP will have to restrict future debate to some degree if it is to meet its vow to vote on a series of controversial measures by mid-April. Dreier did not disagree. "If it becomes very apparent that [Democrats] are simply becoming dilatory, we may have to come back and have some sort of structure to some of the rules," he said.

So far, the Republican timetable has slipped — due not only to Democratic jockeying but also to moderate Republicans who have voiced discomfort with parts of the House GOP "Contract with America," such as requiring a three-fifths vote for individual or corporate tax rate increases.

When dealing with policy issues, Dreier is a strong supporter of international trade and tends toward conservative positions on most subjects, although he is uncomfortable with restrictions on abortion and with term limits. He also has worked with Democrats on clean-air legislation. "He is essentially more practical and pragmatic and — I'm showing a policy bias here — sensible than some of the Orange County Republicans," said Alan Heslop, a Claremont McKenna government professor who taught Dreier in college.

Bob Gouty, Dreier's political consultant during his first House campaign and a close friend, said the congressman "is not a bomb thrower, and he doesn't like bombs thrown at him. But David Dreier is as fundamentally a conservative as a guy can be."

Dreier's profile has made him an attractive potential statewide candidate for years, and many have talked him up inside GOP circles. But he has never taken the plunge because, some say, he just is not interested. "The thing about Dreier is he enjoys the House of Representatives. He enjoys the interplay. He enjoys the spirit," Gouty said.

"I think early on," said Heslop, "Dreier became enamored with the House as an institution. ...He thinks of himself as a man of the House." The large bank account, Heslop added, may be intended to scare away potential challengers rather than seed a statewide race, even though Dreier has not had a tough race in 10 years.

"The great irony is that being in majority status gives him more prominence, but it also changes the calculations for him," said John Pitney, a Claremont McKenna government professor. "It's very hard to give that up for a race for the Senate, which, in California, is always a gamble."

Dreier, like any good politician, does not permanently rule out higher office. He said he once heard sage advice from a Capitol Hill neighbor, former House member and now U.S. Senator Barbara Boxer, who told him to run for the Senate only when he is ready to leave the House. But with the GOP in charge and his leadership role on the Rules Committee and on California issues, he may not be ready. Besides, Dreier said, he feels something like a statewide officeholder now.

"I find my work as a member of the people's house extremely challenging and very fulfilling," Dreier said. "I feel that I am representing the concerns of all Californians."

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In the shadow of Jarvis and Gann

Citizen initiators tilt at the electoral windmill

By Charles M. Price

Seventeen years ago, a singular success turned their names into household words, made them instant inductees into the grass-roots hall of fame, secured their places in California politi-cal history and launched a movement that even today has the power to turn normally forthright, sane and otherwise stalwart politicians into quivering mounds of Jell-O. One was a cantankerous Southern Californian, the other a gentlemanly Sacramentan, and prior to their success, they had a somewhat checkered history as authors and proponents of ballot initiatives. Both separately and together, they had logged a record of failure that might have caused ordinary mortals to develop a more rewarding hobby.

But these two had the kind of genuis that comes from the dogged pursuit of a singular goal. Or, maybe they just had blind luck, for in 1978, Howard Jarvis and Paul Gann hit paydirt, nirvanah, the promised land. They offered up a property tax relief initiative that captured the imagination of beleaguered taxpayers, who endorsed their proposal — known then and forever as Proposition 13 — and made it the law of the land. From that day forward, Jarvis and Gann became mythical practitioners of initiative politics.

Jarvis and Gann scored a huge success, but many less-successful promoters push their ideas just as doggedly — often in the face of defeat after defeat.

Take, for instance, Robert W. Wilson, a Southern California artist and initiative proponent whose motto might well be, "If at first you don't succeed — try, try again." In 1964 Wilson qualified a ballot initiative that would have set up a statewide lottery — Proposition 16 that year. Voters, however, rejected it.

"I was 20 years too early," Wilson lamented, adding that Nevada gambling interests and California horsetracks poured millions of dollars into the effort to derail his initiative because they feared the competition for gambling dollars.

Embittered by his experience, Wilson in 1965 filed a new initiative that would have allowed casino-style gambling in Adelanto, a small San Bernardino County community in the Mojave Desert a few hours drive from Los Angeles. It also would have provided for extended pari mutuel wagering on horse racing. The initiative was a less-than-subtle swipe at the enemies of Proposition 16, but Wilson failed to gather enough signatures to qualify it for the ballot. Undaunted, Wilson has resubmitted his Adelanto gambling measure 25 times since 1965. It has yet to qualify.

Wilson and his band of allies remain undaunted. "Do you realize that Californians spend over $3.5 billion yearly gambling in Nevada?" asked John Brown, an Oxnard attorney who co-authored Wilson's 1994 gambling proposal. "That's why Nevada doesn't have to have a state income tax. Hang Nevada."

Brown may be correct, and a whole bunch of Californians may agree with him. But the act of qualifying an initiative requires more than an idea whose time may have come. It requires big money. Thus far, Wilson

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Charles M. Price is a professor of political science at California State University, Chico, and a frequent contributor to California Journal.

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and Brown have been unable to find the financial backing needed to hire professionals such as American Petition Consultants to secure the needed signatures. If they ever do find a bankroll, they might just qualify their idea. And given the mood of the electorate, it might pass. After all, that's precisely what happened to those old men of myth — Jarvis and Gann.

Meanwhile, Robert W. Wilson symbolizes the potentials and pitfalls of the initiative process. In a nutshell, the process that has so enmeshed Wilson goes like this:

A person or group drafts an initiative idea — whether a statute or constitutional amendment — into the proper legal form. Generally speaking, politically savvy proponents rely on experienced attorneys to put their proposals into proper legalese. Others may request drafting assistance from the legislative counsel if the request is accompanied by the signatures of 25 voters. The Legislative Counsel's Office lends this assistance as time permits. The proponent then submits the initiative proposal to the attorney general, along with a $200 deposit for processing costs that will be refunded if the measure qualifies. The Attorney General's Office gives the proposal a title and summary, after which it is sent to the Secretary of State's Office, which sets the deadline for turning in enough valid signatures to qualify for the ballot — currently, 432,945 for statutes and 692,711 for constitutional amendments. In addition, a fiscal analysis is prepared by the Department of Finance and Joint Legislative Budget Committee. Finally, if a sufficient number of valid signatures are collected by the deadline, the measure goes on the next statewide ballot where voters approve or reject it.

Over the last 30 years, initiatives have increasingly occupied center-stage in California politics. Among the most prominent were Proposition 4 — the Political Reform Act of November 1974; Jarvis-Gann's Proposition 13 of June 1978; Proposition 140 and its imposition of legislative term limits in November 1990; Proposition 174's school-voucher proposal of June 1993; and Propositions 184 and 187 of 1994, better known as the "three strikes" and "illegal immigration" initiatives. Already approved for the March 1996 primary election is an "open primary" initiative that would allow voters the right to vote for any primary candidate regardless of party label. In addition, another school-voucher bombshell is in the works, also aimed at March 1996, while a measure to abolish the state's affirmative-action laws could land on the November 1996 ballot. All three promise to have substantial impact on the elections of 1996. Overall, since 1964, nearly 650 initiatives have been filed in California, approximately 17 percent have qualified for the ballot and about 7 percent approved by voters.

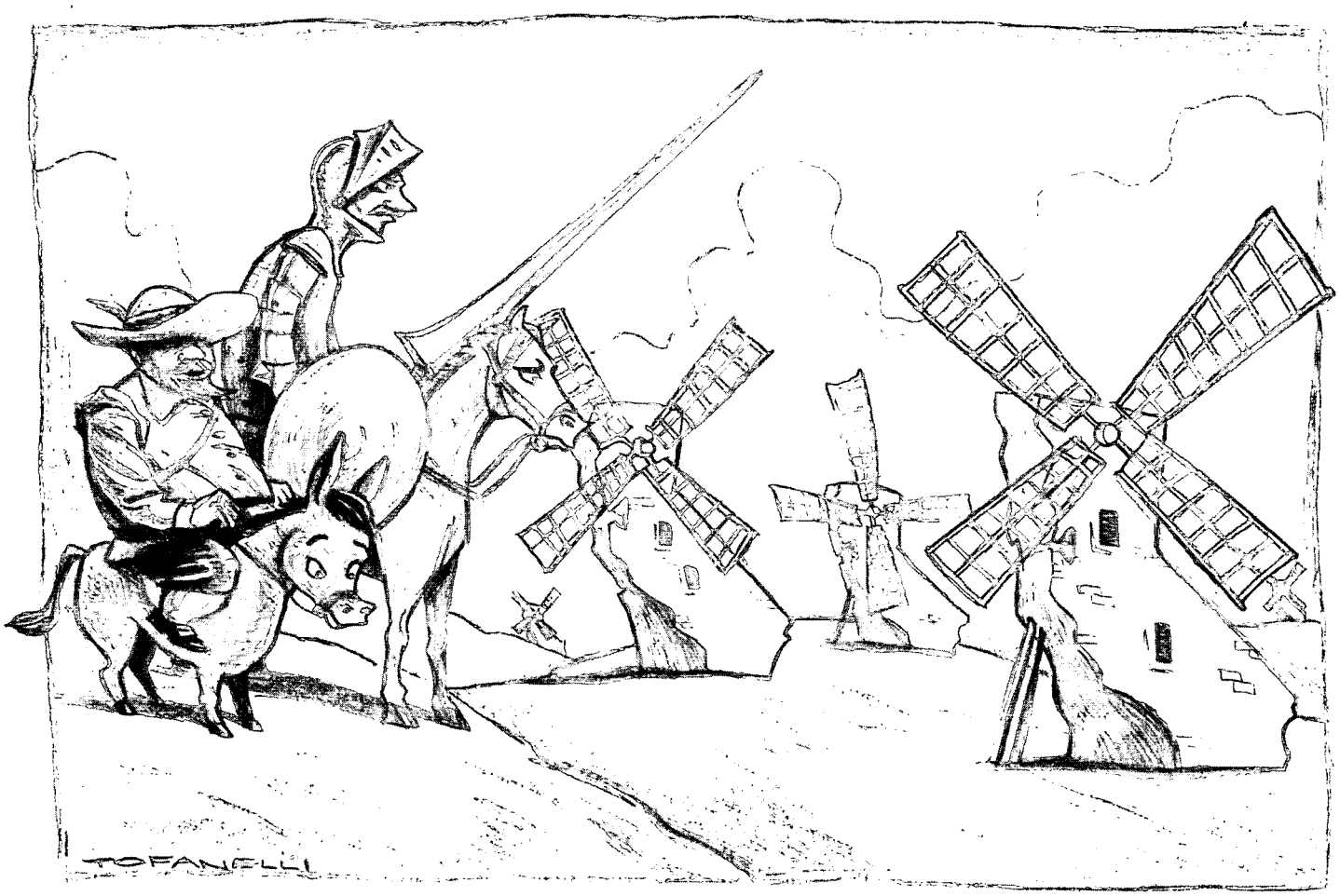

Illustration by Mike Tofanelli

Initiative qualifying may have crested in the 1987-90 period when some 36 made it to the ballot. Of these, 15 were approved. Since 1990, the number of proposals qualifying for the ballot seems to have slacked off despite a continued stream of petitions circulated for signatures.

What sort of people file initiatives? Essentially, there are three types: elected officials, executives of financially powerful interest groups and private citizens. Most initiatives that qualify for the ballot are authored by the first two groups. These

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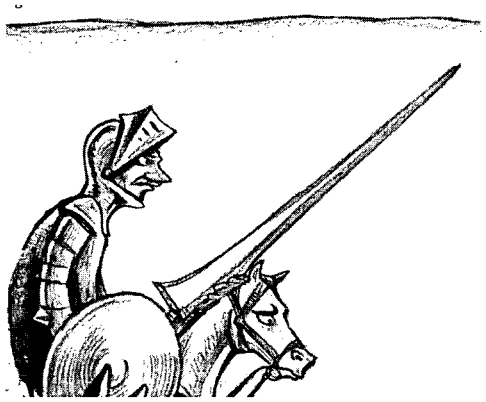
proponents are politically astute and often have the financial wherewithall necessary to promote petition drives. They nearly always hire professional firms to guarantee their measures make the ballot.

Elected officials have introduced a fair share of initiatives over the past three decades as well. In particular, conservative Republican officeholders such as John Schmitz, John Briggs, Pete Schabarum, Floyd Wakefield, Don Rogers, Frank Hill, Bill Dannemeyer and Ross Johnson have put forward ideas and, by so doing, have sought to bypass the Legislature, which has been controlled for the most part by liberal Democrats.



Not that Democrats, too, haven't felt compelled to use the ballot. The likes of former Assemblymen Lloyd Connelly and Dick Floyd and Senator Tom Hayden and former Senator Alan Robbins have filed initiatives. A more recent trend has been for major statewide officeholders or candidates to propose initiatives as adjuncts to their campaigns. John Van De Kamp, Leo McCarthy, George Deukmejian, Pete Wilson and March Fong Eu are examples. Interest-group leaders such as John Henning of the AFL-CIO, Kirk West of the Chamber of Commerce and Carol Lee of the California Medical Association have been active initiative proponents as well.

Even political insiders frequently fall short in their signature-qualifying efforts, however. For example, no one is more keenly aware of the problems in collecting sufficient valid signatures in the right amount of time than the secretary of state. Yet, former Secretary of State Eu failed to qualify her "Dimes Against Crimes" initiative in 1987.

It was average citizens like Robert Wilson, not political insiders, whom Progressives wanted to empower when they first placed the initiative procedure into the state Constitution not long after the turn of the century. After all, elected officials and lobbyists had access to the formal institutions of lawmaking—Legislature and governor. The initiative was designed for those outside the regular process.

Who are these average Joes and Janes? And why are they willing to plunk down $200 for their initiative idea? How do they hope to collect the hundreds of thousands of signatures needed to place their measure on the ballot?

Some private-citizen initiators believe strongly in their issue but have little appreciation or understanding of the costs of printing thousands of petitions and coordinating a massive signature drive. For example, builder Norman Bedford of Healdsburg was the subject of several expensive lawsuits. Bedford became angered by what he considered to be excessive costs for attorneys, and he filed an initiative to limit their fees.

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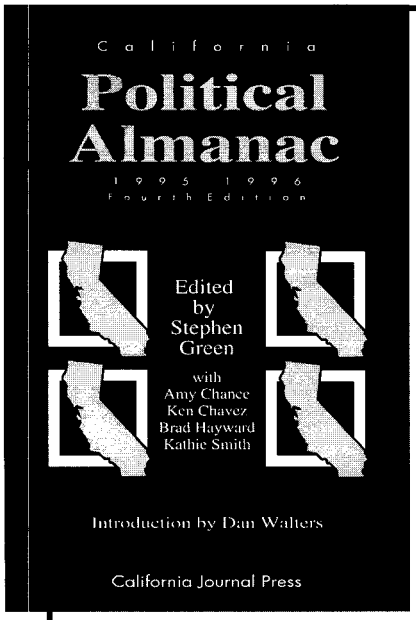

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"I thought I would receive financial support from the insurance industry with my proposal," Bedford admits. But, the money never appeared. He has filed seven initiative proposals over the years, but none has ever qualified.

In 1973, in a one-week period, Patrick O'Shaughnessy of San Francisco filed 20 separate initiatives on a wide variety of subjects. None qualified, and O'Shaughnessy was out $4000 for his trouble. And, in 1994 one proposed initiative on "Forfeiture of Office" listed an all-time high of 57 co-authors. It, too, failed to make the ballot.

Some citizens launch initiatives aware that qualifying them will be difficult but do so to get media coverage for their measure, or to give their issue legitimacy. For example, Barton Gilbert, in the 1970s and '80s, and currently Jack Herer have promoted efforts to legalize marijuana under certain circumstances — an issue the Legislature has been reluctant to take on. None has ever made the ballot.

Said Robert Wilson, "I didn't even try to qualify many of my [gambling] initiatives. I kept reintroducing them because this was my idea — my way of maintaining a kind of patent on the idea."

A fair number of private-citizen initiatives are filed because particular interests such as doctors, lawyers, teachers or insurance companies have a virtual veto over hostile legislation. Thus, to circumvent the power these groups hold over the Legislature, proponents resort to initiatives such as single-payer state health system, school vouchers or "pay at the pump" no-fault auto insurance.

Some citizen initiatives promote non-traditional approaches to government. Some of those filed over the last two years:

Matt Dillon proposes a 24-hour-a-day, 365-days-a-year telephone voting system on propositions submitted to voters.

Former Alaska Senator Mike Gravel would allow California citizens a chance to participate in a world constitutional convention to establish global governance. It appropriates 25 cents per California resident from the general fund to help finance the effort.

Cheryl Fort wants to amend the preamble to the state's Constitution.

Norman Bedford wants to implant facial identifying numbers subcutaneously on released violent felons.

Robert Bell proposes that California secede from the Union and become an independent nation.

Eurica Californiaa wants laws on nudity to apply to males and females equally, bare chests and all.

Occasionally, initiatives sponsored by private citizens have qualified. In the 1970s Ed and Joyce Koupal, after failing to qualify a recall of Governor Ronald Reagan, left Sacramento and moved to signature-rich Los Angeles. Activists —

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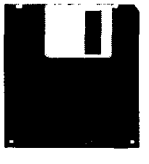

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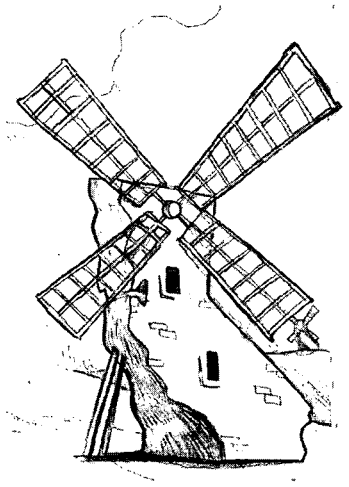
mainly students and housewives — were organized into the People's Lobby, a petition-sponsoring group that promoted liberal causes. With minimal financial resources but dedicated volunteers and a no-nonsense approach to gathering signatures, they succeeded in qualifying several of their initiatives. Ironically, one novice who learned at their knee was Howard Jarvis, himself a right-wing ideologue.

And then there were Jarvis and Gann. Prior to Proposition 13, Jarvis and Gann had failed to qualify any of their six initiatives. After Proposition 13, they jointly or separately succeeded in qualifying a number of measures, with several winning voter approval. They also established two organizations that promote conservative causes via the ballot box.

The most-recent heir-apparent to the Jarvis-Gann legacy is Mike Reynolds, a Fresno native whose 18-year-old daughter was murdered by a paroled felon after she refused to give him her purse. Reynolds labored for years to pass stiffer penalties for violent felons, only to see his effort crushed in a Democrat-dominated Legislature. In 1993, Reynolds went the initiative route — his cause helped when Petaluma 12-year-old Polly Klaas was kidnapped and murdered by an ex-con with a history of violent crime. His proposal became the "three strikes and you're out" initiative of 1994 — Proposition 184.



In addition, public-interest lobby groups with modest financial resources — for example, Common Cause, the American Cancer Society, Campaign California and Californians Against Waste — using mostly dedicated volunteer signature collectors have sometimes been able to qualify petitions. Another, the California Planning and Conservation League, has enlisted high-powered and high-paying allies to fund its initiatives, mostly by writing shares of the spoils into the initiative on behalf of those it seeks as co-sponsors. This "Christmas tree" approach has succeeded in qualifying and passing ballot measures in the 1990s. In addition, the Ross Perot-inspired United We Stand, led by state chair Kirk McKenzie, attempted to qualify four separate initiative proposals in 1994 but failed.

Much of the criticism concerning ballot-box lawmaking — use of counter-initiatives; paid signature-gathering; partisan game-playing; and expensive, duplicitous campaigns — can be tied to elected officials and financially powerful interest groups who seem able to buy their way onto the ballot at a whim. But it is the Howard Jarvises, Paul Ganns and Robert Wilsons of the world — underfunded grass-roots citizens or groups with altruistic, irksome, wacky, innovative, naive or even unconstitutional proposals — that more closely reflect what Progressives had in mind when they advanced the initiative process nearly a century ago.

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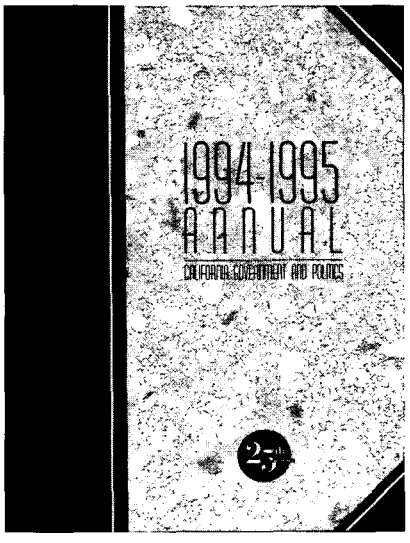

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Rostrum
LETTERS

The California dream

After I read your issue "In Search of the California Dream" (see *CJ*, January 1995), I realized how hypocritical this issue was. With respect to the writers, I found people who seemed to be both authorities on California and mentally deficient.

Most of the general public in California would never be able to even understand any of the rhetoric put forth by over-educated and stay-in-business people. Environment, population, education and circumstances have drastically changed in California. The days of "only the wealthy" are gone, and we need to realize that California has become the melting pot for all races in America. Therefore, as long as we do not reach out to all of them, we cannot bring back the dream (if there is such a dream). It would take me too long to explain in depth why the California dream has disappeared. Surely, you can agree that simple people and immigrants such as myself would have a much more honest assessment then most of the well-heeled people who you wrote in your January issue.

In closing, I would like to quote one of your writers, Mollie Lowery: "It would be better if government looked to the neighborhoods for leadership and supported them." That goes for *California Journal*, as well as other high-profile publications. As a longtime community activist, I keep telling everyone: "Make sure you talk to everybody you need to talk to, because you never know where there are going to be objectors.

WALTER F. MUELLER

Election 1994

"Election 1994" (see *CJ*, December, 1994) contains too many factual errors in its coverage of Orange County races to be taken seriously as an authoritative report on the election results. Here are four factual errors I discovered in a brief perusal of the Orange County races. In the 45th Congressional District, Democrat Brett Williamson is *not* "a Huntington Beach attorney." He lives in Costa Mesa and works in Newport Beach. In the 47th Congressional District, Republican Chris Cox is *not* a "four term incumbent." Cox entered the House at the same time as Dana Rohrbacher, 1989, whom you correctly identify as a "three-term incumbent." In the 48th Congressional District, Republican Ron Packard did *not* first win this seat "as a write-in candidate in 1982." He won the primary nomination as a write-in, but won the general election on the ballot. And finally, the report on the 67th Assembly District concerning Assemblymember Doris Allen states: "Allen is expected challenge for the state Senate seat being vacated early next year when incumbent Republican Senator Marian Bergeson leaves for a seat on the Orange County Board of Supervisors. Bergeson is expected to win the seat in a runoff next month." Marian Bergeson already won election to the Board of Supervisors in June of 1994 and was then supervisor-elect. Furthermore, there was no runoff election scheduled in Orange County. There was a special election last month to fill Bergeson's vacated Senate seat. Perhaps it's just the Orange County races which were slighted. Maybe in a county where Republicans seem to win election, this is to be expected. However, there's still no excuse for getting the facts wrong.

MARK P. PETRACCA
Associate Professor
University of California, Irvine

Community

One of the sentences in my article (see"A Time for New Dreams," *CJ*, February 1995) was rendered unintelligible as well as ungrammatical. "That what one finds in distant cabins and Sierra towns is not nature but detached bits of society is not appreciated" — was the way the sentence should have read. Also the general topic announced on the cover, "Community vs. Diversity," is not the way many of us see it. California has been accused of many things over the years, but providing community is not one of them. Nathaniel West, Carey McWilliams and Joan Didion got that right. The choice seems instead to be between a diversity based on hierarchy and exclusion, and one granting equality and civic recognition for all — that is, between an undemocratic and a democratic diversity.

JEFF LUSTIG
Professor of Government
CSU

Remedial English

Perhaps *California Journal* ought to be more sympathetic to students who take remedial classes in English, and to the schools that offer such classes. In the article on Zev Yaroslavsky (see *CJ*, February 1995), your editors made two errors that might qualify one for admission to these courses: You referred to utility poles as "power polls," and reining in the Los Angeles Police Department as "reigning in."

KEN GRAHAM

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Kathleen Connell takes the stage

Newly elected controller was one Democrat who bucked the 1994 tide of defeat

By Laureen Lazarovici

With a commanding view of downtown Sacramento from her 18th floor office as a backdrop, California's new state controller, Kathleen Connell, boasts about what she's been able to accomplish in the few short weeks since she's been inaugurated. There's the anti-waste hotline to help ferret out fraud, inefficiency and duplication in government; support of a bill by Assemblywoman Jackie Speier (D-South San Francisco) to step up debt collection; the selection of accountants to audit her own office; and quick adoption of a "California first" investment policy by the Public Employees Retirement System. Making good on a key campaign promise, Connell is trying to get authority to do sweeping performance audits of all government agencies. She herself seems amazed at the pace. "I have to learn this is not a sprint, it's a marathon," she says.

After less than two months in office, the articulate and polished Connell is being called an "up and comer" and a "rising star" by political insiders. Aided by her personal wealth, she came out of nowhere to capture the Democratic nomination for state controller, left open by Democrat Gray Davis' decision to run

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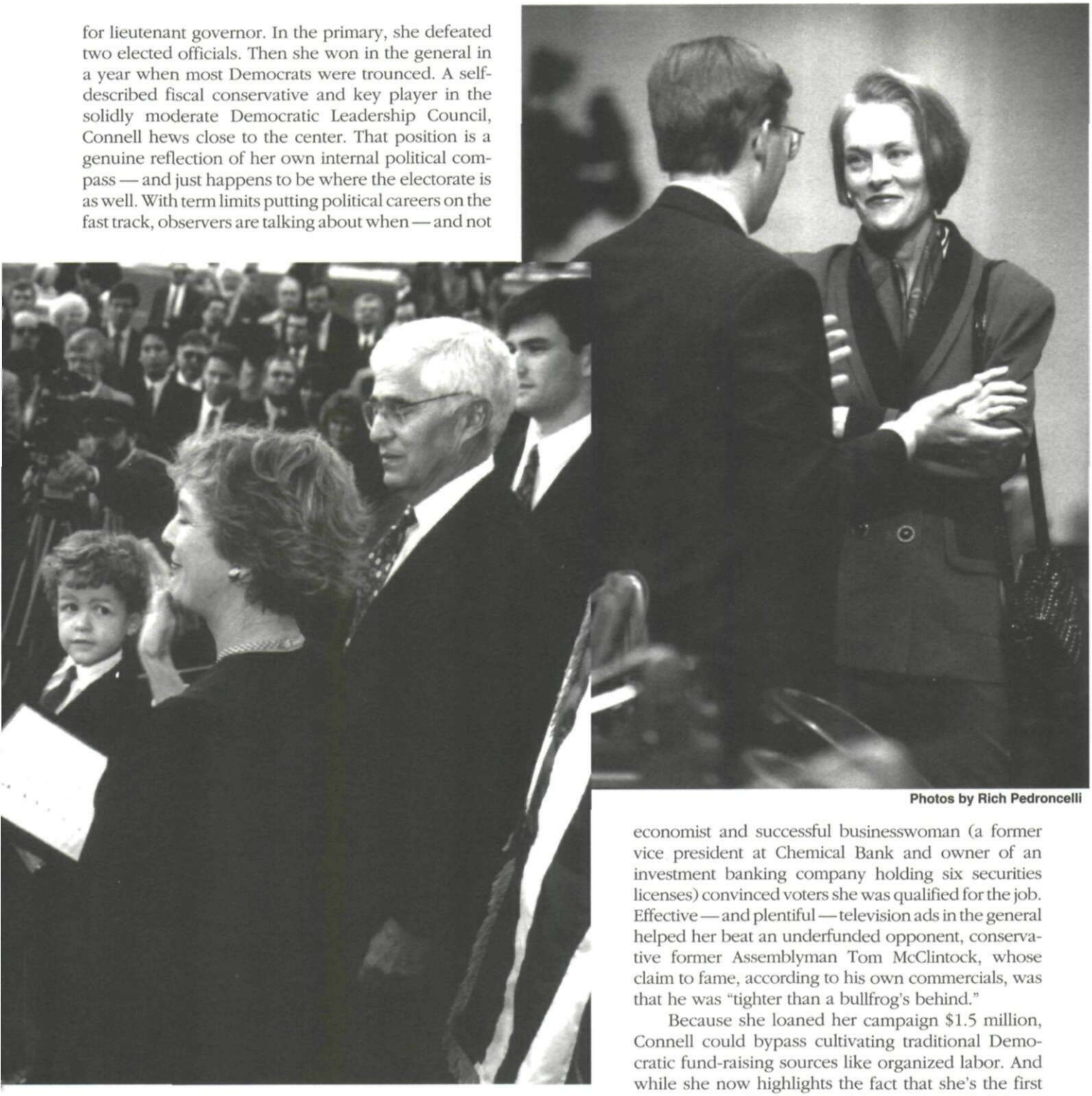
for lieutenant governor. In the primary, she defeated two elected officials. Then she won in the general in a year when most Democrats were trounced. A self-described fiscal conservative and key player in the solidly moderate Democratic Leadership Council, Connell hews close to the center. That position is a genuine reflection of her own internal political compass — and just happens to be where the electorate is as well. With term limits putting political careers on the fast track, observers are talking about when — and not



Photos by Rich Pedroncelli

if — Kathleen Connell will run for higher office. "Kathleen is a Democratic success story and a personal success story," says party chairman Bill Press. "She has a great future."

That's heady stuff for someone who's never so much as served on a school board. She likes to point out that this is only the third time since 1960 that Californians have elected someone to statewide office who never sought elective office before. Clearly, this outsider mantle helped her harness voters' anti-incumbent sentiment and prevail over Alameda County Supervisor Don Perata and Assemblyman Rusty Areias in the primary. Connell's background as a trained economist and successful businesswoman (a former vice president at Chemical Bank and owner of an investment banking company holding six securities licenses) convinced voters she was qualified for the job. Effective — and plentiful — television ads in the general helped her beat an underfunded opponent, conservative former Assemblyman Tom McClintock, whose claim to fame, according to his own commercials, was that he was "tighter than a bullfrog's behind."

Because she loaned her campaign $1.5 million, Connell could bypass cultivating traditional Democratic fund-raising sources like organized labor. And while she now highlights the fact that she's the first woman controller in state history, Connell did not come up through the ranks of the women's movement, like other female elected officials did before gaining prominence. "She kind of did this on her own. A lot of the women's groups didn't embrace her," says Jane Hasler Henick, president of the California chapter of the National Women's Political Caucus. "But often women candidates don't have the resources, so I say, more power to her."

Connell went to college during the turbulent late 1960s, but she wasn't busy shutting down the administration building. Then again, she went to Hastings College in Nebraska, which, she admits, "didn't have quite the same excitement as

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Berkeley or Columbia or Chicago at the time." Instead, she was president of her residence hall, co-editor of the newspaper, on the debate team and chair of campus judicial committee. She got a masters degree from the University of Pittsburgh and then became Los Angeles city housing director before getting a doctorate at UCLA. In Los Angeles, Connell created a rotating loan program in red-lined minority neighborhoods and built or rehabilitated 10,000 units of housing. True to her market approach, she points out that her department accomplished these by leveraging private funds, costing city taxpayers nothing. Newspaper reports from that era portray Connell as controversial and embattled, as someone who led one rehabilitation program into bankruptcy and did not effectively enforce new rent control laws. But others remember her in a more positive light. "She was regarded as extraordinarily knowledgeable and competent," recalls Maury Weiner, deputy mayor at the time. "She ran into some 'traditionalists' who were defending the status quo because she was proposing new things," he says. "She was quite a pioneer."

As her involvement in public housing illustrates, Connell is "clearly a core Democrat on social issues," in the words of Press. She is pro-choice and pro-environment. Still, some liberal Democrats are suspicious, calling her a Republican in Democrats' clothing. "She's very intrigued by Republicans," says one confidante. "Her personal friends are Republicans, as are many of her donors because of the nature of her business." Connell refuses to take a position on the proposed anti-affirmative action initiative, which seems counter-intuitive for a woman who worked in a male-dominated profession. When she calls the state's residents "shareholders in the corporation known as the state of California," that highlights a market orientation that can rub those on the left the wrong way. They point out that she didn't even join the party until she was going to run for office, previously registering as "decline to state."

One Democratic insider advises hard-liners to get used to this kind of positioning. "Sure, she has a market viewpoint, but she's also got a big heart," he says, comparing her to moderate Republican governors like Christine Todd Whitman of New Jersey and Bill Weld of Pennsylvania. "Her politics are really in step with the electorate's right now."

Her ideology seems one of no ideology. In her inaugural address, she promised "objective, nonpartisan economic policy." She calls her upcoming budget reviews "a non-partisan exercise." Indeed, she is fiscally conservative in the original, and not political, sense of the word. Addressing the bankruptcy in Orange County, Connell asserts that "localities should have control over their fiscal futures. I don't want to send a message to the financial market that the state will serve as a guarantor or the `bailout' vehicle for any municipality."

She is wary of Governor Pete Wilson's proposed tax cut, not because it would starve social programs as liberals argue, but because she doesn't think the money will be there to pay for it. "My bottom line is that we end this year with a balanced budget without using fiscal gimmicks," she says. "Being a fiscal conservative, I think we need to balance the budget, repay our outstanding debts and put aside appropriate

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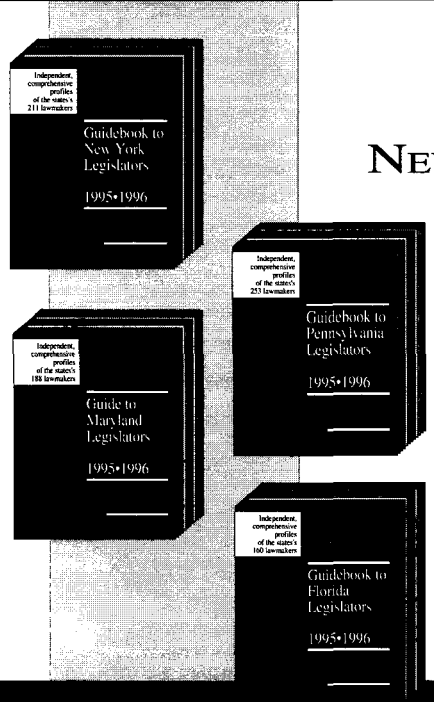
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reserves. I don't think there will be a surplus."

What concerns Connell about the governor's higher-education budget is not the fee hikes, which she won't comment on, but the four-year commitment to providing more money. "We need multi-year budgeting," she argues. "We have proposals for a three-year tax cut, a four-year education plan, and mandated costs for three strikes. All of these hit in the second year of a budget cycle. So it isn't just a matter of making it through this year."

These views make Connell a perfect fit with the moderate Democratic Leadership Council, the political vehicle that catapulted Bill Clinton to the presidency and is "based on entrepreneurial ideas and non-bureaucratic solutions emphasizing individual responsibility and community values," according to its literature. Connell is a charter member of the Los Angeles chapter and was the keynote speaker at the group's state conference in Sacramento in January. "She doesn't start from either one of the two political assumptions, that government should do nothing or that government should do everything," says state Senator Pat Johnston (D-Stockton), also active in the DLC. "She takes a more focused approach, looking for cost-effective ways government can run." The new controller, he says, "is the leading elected official in California who reflects the DLC new Democratic agenda." Connell says she's at home in the DLC. "Many of the leaders are business people," she says. "I feel I'm with my colleagues."

With the electorate headed headlong towards the center, Connell boosters predict big things for her. "She'll be governor in eight or ten years," says a confident Morley Winograd, an official with the California DLC. Press says Connell holds "the second most powerful office in the state" and is "a Dianne Feinstein on the state level. That's not an endorsement for governor, but she is a player." With her own wealth and connections to business and L.A.'s downtown interests, Connell could be a fund-raising powerhouse.

Some insiders even spin a scenario where she challenges Lieutenant Governor Gray Davis for the Democratic nomination in 1998. Davis is already spouting more conservative rhetoric, seeking to downplay his liberal record and past employment as Governor Jerry Brown's chief of staff. While Davis did speak at the latest DLC gathering, Winograd says, "he's a convert, not a charter member. We welcome converts." But a more likely scenario is Connell running for re-election and then looking for openings in 2002. For her part, she won't say what's next for her. "I need to survive," she says. "This is a long-term campaign to change state government."

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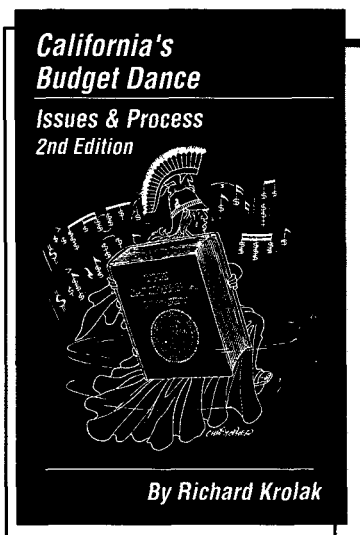

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Washington PERSPECTIVE

By James R. Carroll

Base-closures, part IV

Whoever said you can't get blood out of a turnip never met the folks in the Pentagon. Intent on trying to find billions of additional dollars to build more weapons and improve U.S. military readiness, the Department of Defense — at the direction of the Congress — is on its base-closing jag one last time. And the turnip the Pentagon brass has turned to is California. Again.

AS NEARLY EVERYONE IN CALIFORNIA KNOWS, THE state has been hammered pretty vigorously in three previous base-closing rounds in 1988, 1991 and 1993. This year, it is going to be slammed hard again.

That's not what Defense Department officials are saying. They insisted during the unveiling of their base-closing hit list on the last day of February that California isn't being hurt so badly this time.

The state, of course, has prospered with defense dollars since World War II. An estimated 20 percent of the defense budget is spent in California. So it is only logical that when the cuts come, they are going to be felt more strongly here than in many states. But the California congressional delegation — particularly Senators Barbara Boxer and Dianne Feinstein — contends that, in fact, the pain inflicted on the state has far exceeded its fair share. By one estimate, 40 percent of the base closures through 1993 landed on California.

The Pentagon's own numbers on base closings will give the Californians more ammunition. The state already stands to lose 26,421 civilian jobs from the earlier base closures. This new round would mean almost 4000 more civilian jobs would disappear, according to the Pentagon. That's 30,409 total jobs California would give up. No other state comes close. Virginia is a distant second with 15,802 job losses, followed by Pennsylvania with 13,794 and Texas with 6707.

When the analysis gets down to specific communities, the impact of base closings can be downright devastating. Take, for example, the city of Long Beach. In 1991 the independent Defense Base Closure and Realignment Commission, which reviews all Pentagon recommendations and draws up a final hit list to be approved by the president and the Congress, directed the closure of the Long Beach Naval Station and the Long Beach Naval Hospital. The two facilities shut down last year at a cost of 3000 civilian jobs.

And the Pentagon's recommendation to the commission this year? Close the Long Beach Naval Shipyard. That would wipe out an additional 3100 jobs in the same region.

"We have taken so many hits, we can't survive with being the whipping boy," declares Long Beach Mayor Beverly O'Neill.

In fact, if the Long Beach region were a state, the 6100 people to be tossed out of work there from past and proposed base closings would rank it fifth nationwide in greatest number of civilian job losses. And Long Beach turns out to be the one major sacrificial lamb in California this time around.

If this sounds somewhat equitable, look again. The Long Beach closure, plus some other proposed closings and realignments in California, account for almost 10 percent of all civilian job losses in this base-closing round. The share for many other states is zero. Go a little deeper into the Pentagon's numbers and a dirty little secret emerges: The base closings Defense Secretary William Perry describes as "painful" have left much of the country untouched. Twenty-one states either haven't lost a single job from any base-closing round, or have lost very few. Some have gained jobs overall. Add to that 10 more states with fewer than 1000 net job losses.

Nevertheless, what's being proposed in California this time is being characterized by the military brass as, all in all, no big deal. Navy Secretary John Dalton says he actually had additional California candidates for closure — three of them in the San Francisco Bay area — but he decided to pass on them this time around because of earlier hits.

"I decided to make some economic impact decisions as it related to state of California," he said.

WAS THIS ALSO A POLITICAL DECISION? ABSOLUTELY not, Dalton and everyone else in the Navy and Pentagon connected to base-closing deliberations are insisting. Each official has testified to the base closing panel under oath that the White House did not influence or direct them. Instead, their decisions were their own.

Of course, it is understood that all the top civilians at the Pentagon were appointed by President Bill Clinton, and most presumably would like to be in their jobs after 1996. And it doesn't take a genius to read an Electoral College map, upon which California is writ large. On Clinton's electoral map, the state is writ huge. Nearly everyone outside the Pentagon figures California is getting a political favor this time.

But to Boxer, Feinstein, much of the Los Angeles House delegation and the Long Beach Naval Shipyard employees whose futures may be on the chopping block this year, the favor isn't quite large enough.

James R. Carroll is a Washington, D.C., correspondent for Knight-Ridder News Service.

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